

2009

SESSION LAWS

OF THE

STATE OF WASHINGTON

REGULAR SESSION
SIXTY-FIRST LEGISLATURE

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WASHINGTON SESSION LAWS

GENERAL INFORMATION

1. EDITIONS AVAILABLE.

- (a) *General Information.* The session laws are printed in a permanent softbound edition containing the accumulation of all laws adopted in the legislative session. The edition contains a subject index and tables indicating Revised Code of Washington sections affected.
- (b) *Where and how obtained - price.* The permanent session laws may be ordered from the Statute Law Committee, Pritchard Building, P.O. Box 40552, Olympia, Washington 98504-0552. The edition costs \$25.00 per set plus applicable state and local sales taxes and \$7.00 shipping and handling. All orders must be accompanied by payment.

2. PRINTING STYLE - INDICATION OF NEW OR DELETED MATTER.

The session laws are presented in the form in which they were enacted by the legislature. This style quickly and graphically portrays the current changes to existing law as follows:

- (a) In amendatory sections
 - (i) underlined matter is new matter.
 - (ii) deleted matter is (~~lined out and bracketed between double parentheses~~).
- (b) Complete new sections are prefaced by the words NEW SECTION.

3. PARTIAL VETOES.

- (a) Vetoed matter is ***printed in bold italics.***
- (b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.

4. EDITORIAL CORRECTIONS. Words and clauses inserted in the session laws under the authority of RCW 44.20.060 are enclosed in [brackets].

5. EFFECTIVE DATE OF LAWS.

- (a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the pertinent date for the Laws of the 2009 regular session to be the first moment of July 26, 2009.
- (b) Laws that carry an emergency clause take effect immediately upon approval by the Governor.
- (c) Laws that prescribe an effective date take effect upon that date.

6. INDEX AND TABLES.

A cumulative index and tables of all 2009 laws may be found at the back of the final volume.

TABLE OF CONTENTS

Chapter No.	Bill No.	Subject	Page
536	PV E2SHB	2227 Evergreen jobs act	3281
537	ESHB	2245 Public employees benefits board—Benefits eligibility	3291
538	HB	2349 Disproportionate share hospital adjustments	3304
539	SHB	2343 Education programs—Funding—Savings	3305
540	ESHB	2344 Resident undergraduate tuition—Policy— Performance audit	3310
541	SHB	2356 Student achievement fund allocations	3312
542	SSB	5410 Online learning	3314
543	SHB	1292 School year length—Flexibility	3321
544	ESB	6158 Family leave insurance program—Implementation	3323
545	PV 2SSB	5945 Washington health partnership plan	3324
546	SSB	6016 Students with dyslexia—Training program	3329
547	ESB	6137 Common schools fund transfers—Student achievement program	3330
548	PV ESHB	2261 Education, generally	3331
549	PV SB	5038 Gender neutral language	3376
550	ESSB	5321 Local sales and use tax	3643
551	PV 2SSB	5433 Local option taxes	3646
552	PV SSB	5436 Direct patient-provider primary care practices	3655
553	SSB	5539 County investments—Expenses	3660
554	SB	5554 Job skills program	3661
555	SSB	5777 State health insurance pool	3663
556	ESSB	5889 Education system—Flexibility	3670
557	ESB	5894 Transportation services—Rate and service regulation	3684
558	PV SSB	5913 University of Washington—Health sciences library	3688
559	ESB	5915 Emergency rule making—Budgets	3690
560	ESB	5995 Boards, committees, and commissions—Elimination	3691
561	SSB	6161 Pension systems—Actuarial funding	3708
562	ESSB	6169 Department of revenue—Tax collection tools	3718
563	SB	6173 Sales tax compliance	3720
564	PV ESHB	1244 Operating budget	3743
565	PV EHB	2242 Department of commerce—Creation	4105
566	PV E2SSB	5809 Workforce employment and training	4148
567	SSB	5795 Tacoma Narrows toll bridge account	4151
568	SHB	2341 Basic health plan program	4153
569	SHB	2346 Crisis residential centers	4165
570	EHB	2357 Nursing facility medicaid payments	4168
571	SHB	2361 In-home care—State payments	4174
572	SHB	2362 Judicial branch agencies—Fees	4175
573	SHB	2363 Educational employees—Cost-of-living	4178
574	PV SSB	5734 Tuition fees	4181
575	ESSB	5892 State purchased health care—Prescription drugs	4183
576	ESSB	6108 State lottery commission—Powerball	4185
577	SB	6121 Biotoxin testing and monitoring—Surcharge	4187
578	PV SB	6168 State education programs—Cost reductions	4188
579	SB	6179 Chemical dependency specialist services	4198
580	ESSB	6180 Long-term care workers—Training— Background checks	4198
581	----	---- Salaries—State elected officials	4215

TABLE OF CONTENTS

Chapter No.	Bill No.	Subject	Page
		INDEX AND TABLES	
TABLES			
		BILL NO. TO CHAPTER NO.	4219
		RCW SECTIONS AFFECTED BY 2009 STATUTES.	4225
		UNCODIFIED SESSION LAW SECTIONS AFFECTED BY 2009 STATUTES . . .	4265
		SUBJECT INDEX OF 2009 STATUTES	4269
		STATE MEASURES	4333

CHAPTER 536

[Engrossed Second Substitute House Bill 2227]

EVERGREEN JOBS ACT

AN ACT Relating to green jobs; amending RCW 43.330.010; adding new sections to chapter 43.330 RCW; adding a new section to chapter 28C.18 RCW; adding new sections to chapter 28B.50 RCW; adding a new section to chapter 50.12 RCW; adding a new section to chapter 49.04 RCW; creating new sections; and repealing RCW 43.330.310.

Be it enacted by the Legislature of the State of Washington:

****NEW SECTION. Sec. 1. FINDINGS. The legislature finds that the 2009 American recovery and reinvestment act includes new investments in research and development for green industries, renewable energy production, and incentives for installation and use of renewable energy and energy efficiency retrofits. The legislature further finds that state level initiatives include additional incentives for installation of renewable energy and energy efficiency retrofits. These initiatives include new incentives for production of renewable energy that will encourage the state to use renewable energy as well as become a major supplier of renewable energy to the world.***

The legislature believes that these investments and initiatives will significantly increase demand for production of renewable energy and installation of energy efficiency retrofits. The legislature recognizes that these demands will cultivate job opportunities for Washington state residents during economic downturns as such investments are particularly valuable during those times. The legislature also finds that the state's residents and economy may be unable to take full advantage of these opportunities if there is a shortage of workers with the skills needed for jobs in renewable energy and energy efficiency.

Further, the legislature finds that the current state and federal economic climate lends itself to the acceleration of the greening of the Washington economy, and presents an opportunity for Washington to take its place as a leader in the green economy of the future. The legislature recognizes that in order to most efficiently and effectively capture and use existing and new funding streams and ensure that Washington does in fact become a leader in the green economy, the use of stimulus funds must be monitored to ensure that local organizations participating in the programs receive the state support they need.

Therefore, the legislature intends that Washington state accelerate the greening of its economy by creating a highly skilled green jobs workforce by emphasizing green jobs skills within existing education and training funds through the evergreen jobs initiative. The legislature intends to establish the evergreen jobs initiative to ensure that the state's workforce is prepared for the new green economy; the state attracts investment and job creation in the green economy; the state is a net exporter of green industry products and services, with special attention to renewable energy technology and components; and Washington is a national and world leader in the green economy.

To achieve these ends, the evergreen jobs initiative will create a comprehensive and responsive framework to assist Washington in receiving at least a per capita share of federal stimulus funds and to ensure that state and local agencies and organizations receive the institutional support they need to capture and effectively use those funds.

*Sec. 1 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 2. EVERGREEN JOBS INITIATIVE. The Washington state evergreen jobs initiative is established as a comprehensive green economy jobs growth initiative with the goals of:

(1) Creating fifteen thousand new green economy jobs by 2020, with a target of thirty percent of those jobs going to veterans, members of the national guard, and low-income and disadvantaged populations;

(2) Capturing and deploying federal funds in a focused, effective, and coordinated manner;

(3) Preparing the state's workforce to take full advantage of green economy job opportunities and to meet the recruitment and training needs of industry and small businesses;

(4) Attracting private sector investment that will create new and expand existing jobs, with an emphasis on services and products that have a high economic or environmental impact and can be exported domestically and internationally;

(5) Making Washington state a net exporter of green industry products and services, with special attention to renewable energy technology and components;

(6) Empowering local agencies and organizations to recruit green economy businesses and jobs into the state by providing state support and assistance;

(7) Capitalizing on existing partnership agreements in the Washington works plan and the Washington workforce compact; and

(8) Operating in concert with the fourteen guiding principles identified by the department in its Washington state's green economy strategic framework.

***NEW SECTION. Sec. 3. EVERGREEN JOBS LEADERSHIP TEAM.** *The department and the workforce board must create the evergreen jobs leadership team, consisting of, at a minimum, the workforce board, the economic development commission, the state board for community and technical colleges, the employment security department, the Washington state apprenticeship training council, the office of the superintendent of public instruction, labor, business, at least one representative of a local workforce development council, and other agencies or organizations as may be necessary. This leadership team may be an extension of an existing working group. The leadership team shall be chaired by a currently employed full-time equivalent person within the office of financial management designated by the governor as the single point of accountability for all energy and climate change initiatives within state agencies.*

*Sec. 3 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 4. EVERGREEN JOBS LEADERSHIP TEAM DUTIES. (1) The department and the workforce board, in consultation with the leadership team, must:

(a) Coordinate efforts across the state to ensure that federal training and education funds are captured and deployed in a focused and effective manner in order to support green economy projects and accomplish the goals of the evergreen jobs initiative;

(b) Accelerate and coordinate efforts by state and local organizations to identify, apply for, and secure all sources of funds, particularly those created by the 2009 American recovery and reinvestment act, and to ensure that

distributions of funding to local organizations are allocated in a manner that is time-efficient and user-friendly for the local organizations. Local organizations eligible to receive support include but are not limited to:

- (i) Associate development organizations;
- (ii) Workforce development councils;
- (iii) Public utility districts; and
- (iv) Community action agencies;
- (c) Support green economy projects at both the state and local level by developing a process and a framework to provide, at a minimum:
 - (i) Administrative and technical assistance;
 - (ii) Assistance with and expediting of permit processes; and
 - (iii) Priority consideration of opportunities leading to exportable green economy goods and services, including renewable energy technology;
- (d) Coordinate local and state implementation of projects using federal funds to ensure implementation is time-efficient and user-friendly for local organizations;
- (e) Emphasize through both support and outreach efforts, projects that:
 - (i) Have a strong and lasting economic or environmental impact;
 - (ii) Lead to a domestically or internationally exportable good or service, including renewable energy technology;
 - (iii) Create training programs leading to a credential, certificate, or degree in a green economy field;
 - (iv) Strengthen the state's competitiveness in a particular sector or cluster of the green economy;
- (v) Create employment opportunities for veterans, members of the national guard, and low-income and disadvantaged populations;
- (vi) Comply with prevailing wage provisions of chapter 39.12 RCW;
- (vii) Ensure at least fifteen percent of labor hours are performed by apprentices;
- (f) Identify emerging technologies and innovations that are likely to contribute to advancements in the green economy, including the activities in designated innovation partnership zones established in RCW 43.330.270;
- (g) Identify statewide performance metrics for projects receiving agency assistance. Such metrics may include:
 - (i) The number of new green jobs created each year, their wage levels, and, to the extent determinable, the percentage of new green jobs filled by veterans, members of the national guard, and low-income and disadvantaged populations;
 - (ii) The total amount of new federal funding secured, the respective amounts allocated to the state and local levels, and the timeliness of deployment of new funding by state agencies to the local level;
 - (iii) The timeliness of state deployment of funds and support to local organizations; and
 - (iv) If available, the completion rates, time to completion, and training-related placement rates for green economy postsecondary training programs;
- (h) Identify strategies to allocate existing and new funding streams for green economy workforce training programs and education to emphasize those leading to a credential, certificate, or degree in a green economy field;
- (i) Identify and implement strategies to allocate existing and new funding streams for workforce development councils and associate development

organizations to increase their effectiveness and efficiency and increase local capacity to respond rapidly and comprehensively to opportunities to attract green jobs to local communities;

(j) Develop targeting criteria for existing investments that are consistent with the economic development commission's economic development strategy and the goals of this section and sections 8, 9, and 12 of this act; and

(k) Make and support outreach efforts so that residents of Washington, particularly members of target populations, become aware of educational and employment opportunities identified and funded through the evergreen jobs act.

(2) The department and the workforce board, in consultation with the leadership team, must provide semiannual performance reports to the governor and appropriate committees of the legislature on:

(a) Actual statewide performance based on the performance measures identified in subsection (1)(g) of this section;

(b) How the state is emphasizing and supporting projects that lead to a domestically or internationally exportable good or service, including renewable energy technology;

(c) A list of projects supported, created, or funded in furtherance of the goals of the evergreen jobs initiative and the actions taken by state and local organizations, including the effectiveness of state agency support provided to local organizations as directed in subsection (1)(b) and (c) of this section;

(d) Recommendations for new or expanded financial incentives and comprehensive strategies to:

(i) Recruit, retain, and expand green economy industries and small businesses; and

(ii) Stimulate research and development of green technology and innovation, which may include designating innovation partnership zones linked to the green economy;

(e) Any information that associate development organizations and workforce development councils choose to provide to appropriate legislative committees regarding the effectiveness, timeliness, and coordination of support provided by state agencies under this section and sections 8, 9, and 12 of this act; and

(f) Any recommended statutory changes necessary to increase the effectiveness of the evergreen jobs initiative and state responsiveness to local agencies and organizations.

(3) The definitions, designations, and results of the employment security department's broader labor market research under RCW 43.330.010 shall inform the planning and strategic direction of the department, the state workforce training and education coordinating board, the state board for community and technical colleges, and the higher education coordinating board.

**Sec. 5. RCW 43.330.010 and 2007 c 322 s 2 are each amended to read as follows:*

DEFINITIONS. *Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.*

(1) "Associate development organization" means a local economic development nonprofit corporation that is broadly representative of community interests.

(2) "Department" means the department of community, trade, and economic development.

(3) "Director" means the director of the department of community, trade, and economic development.

(4) "Financial institution" means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business in this state under state or federal law.

(5) "Microenterprise development organization" means a community development corporation, a nonprofit development organization, a nonprofit social services organization or other locally operated nonprofit entity that provides services to low-income entrepreneurs.

(6) "Statewide microenterprise association" means a nonprofit entity with microenterprise development organizations as members that serves as an intermediary between the department of community, trade, and economic development and local microenterprise development organizations.

(7) "Apprentice" means an apprentice enrolled in an apprenticeship training program approved by the Washington state apprenticeship council.

(8) "High-demand occupation" means an occupation with a substantial number of current or projected employment opportunities.

(9) "Labor hours" means the total hours of workers receiving an hourly wage who are directly employed on the site of the project. This includes hours performed by workers employed by the contractor and all subcontractors working on the project but does not include hours worked by foremen, superintendents, and owners.

(10) "Leadership team" means the leadership team created by the department in section 3 of this act.

(11) "State board" means the state board for community and technical colleges created in RCW 28B.50.050.

(12) "Target populations" means:

(a) Entry-level or incumbent workers who are in, or are preparing for, middle or high-wage, high-demand occupations in the green economy;

(b) Dislocated workers in declining industries who may be retrained for middle or high-wage occupations in the green economy;

(c) Eligible veterans or national guard members;

(d) Disadvantaged populations; or

(e) Anyone eligible to participate in the state opportunity grant program under RCW 28B.50.271.

(13) "Workforce board" means the workforce training and education coordinating board created in RCW 28C.18.020.

*Sec. 5 was vetoed. See message at end of chapter.

*NEW SECTION. Sec. 6. EVERGREEN JOBS LOGO. The leadership team must develop a logo or sign to indicate a particular project is funded in whole or in part by Washington's evergreen jobs act or other economic recovery efforts. The department and the state board must also adopt rules requiring organizations and each project site receiving funds through the department under section 7 of this act or through the state board under section 10 of this act to prominently display such logo or sign on site and in all written materials and communications.

*Sec. 6 was vetoed. See message at end of chapter.

***NEW SECTION.** *Sec. 7. SKILL AND QUALIFICATIONS IDENTIFICATION. (1) The leadership team, in consultation with the department, the state board, the Washington state apprenticeship and training council, and the office of the superintendent of public instruction, shall identify the necessary skills and qualifications required to perform the energy audits and energy efficiency services authorized under chapter . . . , Laws of 2009 (Engrossed Second Substitute Senate Bill No. 5649) and satisfy the goals of chapter . . . , Laws of 2009 (Substitute Senate Bill No. 5921).*

(2) The leadership team, in consultation with the department, the state board, and the workforce board, shall direct the delivery of education and training resource moneys, provided in the omnibus appropriations act, to establish workforce training and apprenticeship programs to meet the demand for workers trained in energy audit and energy efficiency services and to serve the programs established in chapter . . . , Laws of 2009 (Engrossed Second Substitute Senate Bill No. 5649). Moneys must be used to fund training programs that satisfy the strategic plan developed under chapter . . . , Laws of 2009 (Substitute Senate Bill No. 5921).

(a) Training resource moneys may be provided to energy audit and energy efficiency services educational programs for the following purposes:

(i) To develop and deploy curricula and training programs in accordance with this section;

(ii) To expand existing high school, community and technical college, journey-level skills improvement and apprenticeship training programs, and community-based training programs providing energy audit and energy efficiency services training;

(iii) To implement new training programs developed under the terms of this section;

(iv) To supplement internship, preapprenticeship, and apprenticeship programs using curricula developed under this section;

(v) To recruit people into these training programs; and

(vi) For other training activities identified by the department to supplement and expand the skills of the existing workforce.

(b) The department must, in consultation with the workforce board and the leadership team, prioritize educational programs that:

(i) Provide convincing evidence that they are able to provide the requisite skills education and training expeditiously; or

(ii) Provide skills education and training services to underserved and disadvantaged communities in the state, in accordance with this section. This may include, but is not limited to, at-risk youth seeking employment pathways out of poverty and into economic self-sufficiency. The department and workforce board shall consult with the employment security department to create a strategy to ensure that the workers who receive training under these programs are provided with the type of employment opportunities contemplated by this chapter.

**Sec. 7 was vetoed. See message at end of chapter.*

NEW SECTION. *Sec. 8.* A new section is added to chapter 28C.18 RCW to read as follows:

GREEN INDUSTRY SKILL PANELS. (1) The legislature directs the board to create and pilot green industry skill panels. These panels shall consist

of business representatives from industry sectors related to clean energy, labor unions representing workers in those industries or labor affiliates administering state-approved, joint apprenticeship programs or labor-management partnership programs that train workers for these industries, state and local veterans agencies, employer associations, educational institutions, and local workforce development councils within the region that the panels propose to operate, and other key stakeholders as determined by the applicant. Any of these stakeholder organizations are eligible to receive grants under this section and serve as the intermediary that convenes and leads the panel. Panel applicants must provide labor market and industry analysis that demonstrates high demand, or demand of strategic importance to the development of the state's clean energy economy as identified in this section, for middle or high-wage occupations, or occupations that are part of career pathways to the same, within the relevant industry sector. The panel shall, in consultation with the department and the leadership team:

(a) Conduct labor market and industry analyses, in consultation with the employment security department, and drawing on the findings of its research when available;

(b) Recommend strategies to meet the recruitment and training needs of the industry and small businesses; and

(c) Recommend strategies to leverage and align other public and private funding sources.

(2) The board may prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy, including clean energy, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts may be conducted in partnership with local workforce development councils.

(3) The definitions in RCW 43.330.010 apply to this section.

NEW SECTION. Sec. 9. A new section is added to chapter 28B.50 RCW to read as follows:

CURRICULUM DEVELOPMENT AND FUNDING. (1) The state board shall work with the leadership team, the Washington state apprenticeship and training council, and the office of the superintendent of public instruction to jointly develop, by June 30, 2010, curricula and training programs, to include on-the-job training, classroom training, and safety and health training, for the development of the skills and qualifications identified by the department of community, trade, and economic development under section 7 of this act.

(2) The board shall target a portion of any federal stimulus funding received to ensure commensurate capacity for high employer-demand programs of study developed under this section. To that end, the state board must coordinate with the department, the leadership team, the workforce board, or another appropriate state agency in the application for and receipt of any funding that may be made available through the federal youthbuild program, workforce investment act, job corps, or other relevant federal programs.

(3) The board shall provide an interim report to the appropriate committees of the legislature by December 1, 2011, and a final report by December 1, 2013, detailing the effectiveness of, and any recommendations for improving, the worker training curricula and programs established in this section.

(4) Existing curricula and training programs or programs provided by community and technical colleges in the state developed under this section must be recognized as programs of study under RCW 28B.50.273.

(5) Subject to available funding, the board may grant enrollment priority to persons who qualify for a waiver under RCW 28B.15.522 and who enroll in curricula and training programs provided by community or technical colleges in the state that have been developed in accordance with this section.

(6) The college board may prioritize workforce training programs that lead to a credential, certificate, or degree in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy including clean energy, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs, if the programs meet minimum criteria for identification as a high-demand program of study as defined by the state board for community and technical colleges, however any additional community and technical college high-demand funding authorized for the 2009-2011 fiscal biennium and thereafter may be subject to prioritization; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts shall be conducted in partnership with local workforce development councils.

(7) The definitions in RCW 43.330.010 apply to this section and section 10 of this act.

NEW SECTION. Sec. 10. A new section is added to chapter 28B.50 RCW to read as follows:

EVERGREEN JOBS TRAINING ACCOUNT. The evergreen jobs training account is created in the state treasury. Funds deposited to the account may include gifts, grants, or endowments from public or private sources, in trust or otherwise. Moneys from the account must be used to supplement the state opportunity grant program established under RCW 28B.50.271. All receipts from appropriations directed to the account must be deposited into the account. Expenditures from the account may be used only for the activities identified in this section. The state board, in consultation with the department and the leadership team, may authorize expenditures from the account but must distribute grants from the account on a competitive basis. Grant funds from the evergreen jobs training account should be used when other public or private funds are insufficient or unavailable.

(1) These grant funds may be used for, but are not limited to uses for:

(a) Curriculum development;

(b) Transitional jobs strategies for dislocated workers in declining industries who may be retrained for high-wage occupations in green industries;

(c) Workforce education to target populations;

(d) Adult basic and remedial education as necessary linked to occupation skills training; and

(e) Coordinated outreach efforts by institutions of higher education and workforce development councils.

(2) These grant funds may not be used for student assistance and support services available through the state opportunity grant program under RCW 28B.50.271.

(3) Applicants eligible to receive these grants may be any organization or a partnership of organizations that has demonstrated expertise in:

(a) Implementing effective education and training programs that meet industry demand; and

(b) Recruiting and supporting, to successful completion of those training programs carried out under these grants, the target populations of workers.

(4) In awarding grants from the evergreen jobs training account, the state board shall give priority to applicants that demonstrate the ability to:

(a) Use labor market and industry analysis developed by the employment security department and green industry skill panels in the design and delivery of the relevant education and training program, and otherwise use strategies developed by green industry skill panels;

(b) Leverage and align existing public programs and resources and private resources toward the goal of recruiting, supporting, educating, and training target populations of workers;

(c) Work collaboratively with other relevant stakeholders in the regional economy;

(d) Link adult basic and remedial education, where necessary, with occupation skills training;

(e) Involve employers and, where applicable, labor unions in the determination of relevant skills and competencies and, where relevant, the validation of career pathways; and

(f) Ensure that supportive services, where necessary, are integrated with education and training and are delivered by organizations with direct access to and experience with the targeted population of workers.

NEW SECTION. Sec. 11. A new section is added to chapter 50.12 RCW to read as follows:

LABOR MARKET RESEARCH. The employment security department, in consultation with the department, the workforce board, and the leadership team must take the following actions:

(1) Conduct and update labor market research on a biennial basis to analyze the current public and private labor market and projected job growth in the green economy, the current and projected recruitment and skill requirement of public and private green economy employers, the wage and benefits ranges of jobs within green economy industries, and the education and training requirements of entry-level and incumbent workers in those industries;

(2) Propose which industries will be considered high-demand green industries, based on current and projected job creation and their strategic importance to the development of the state's green economy; and

(3) Define which family-sustaining wage and benefits ranges within green economy industries will be considered middle or high-wage occupations and occupations that are part of career pathways to the same.

NEW SECTION. Sec. 12. A new section is added to chapter 49.04 RCW to read as follows:

APPRENTICESHIP PROGRAMS. (1) The council must evaluate the potential of existing apprenticeship and training programs that would produce workers with the skills needed to conduct energy audits and provide energy efficiency services and deliver its findings to the department of community, trade, and economic development, the leadership team, and the appropriate committees of the legislature as soon as possible, but no later than January 18, 2010.

(2) The council may prioritize workforce training programs that lead to apprenticeship programs in green economy jobs. For purposes of this section, green economy jobs include those in the primary industries of a green economy, including clean energy, the forestry industry, high-efficiency building, green transportation, and environmental protection. Prioritization efforts may include but are not limited to: (a) Prioritization of the use of high employer-demand funding for workforce training programs in green economy jobs; (b) increased outreach efforts to public utilities, education, labor, government, and private industry to develop tailored, green job training programs; and (c) increased outreach efforts to target populations. Outreach efforts shall be conducted in partnership with local workforce development councils.

(3) The definitions in RCW 43.330.010 apply to this section.

***NEW SECTION. Sec. 13. PRECLUSION.** *Nothing in this act may be construed as a requirement for any agency to gain approval from another before allocating funding to the local level. Nothing in this act may be construed as precluding nonstate agencies from directly applying for and securing funds from the federal government. Nothing in this act may be construed as allowing agencies to require additional reporting or approval processes from local organizations or to impose unfunded mandates on local organizations.*

*Sec. 13 was vetoed. See message at end of chapter.

***NEW SECTION. Sec. 14. REPEALER.** *RCW 43.330.310 (Comprehensive green economy jobs growth initiative—Establishment—Green industries jobs training account—Creation) and 2008 c 14 s 9 are each repealed.*

*Sec. 14 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 15. SHORT TITLE. This act may be known and cited as the evergreen jobs act.

***NEW SECTION. Sec. 16. Sections 2 through 4, 6, and 7 of this act are each added to chapter 43.330 RCW.**

*Sec. 16 was vetoed. See message at end of chapter.

NEW SECTION. Sec. 17. Captions used in this act are not any part of the law.

Passed by the House April 21, 2009.

Passed by the Senate April 16, 2009.

Approved by the Governor May 18, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 1, 3, 5, 6, 7, 13, 14 and 16, Engrossed Second Substitute House Bill 2227 entitled:

"AN ACT Relating to green jobs."

The Evergreen Jobs Act is another important step toward Washington's leadership in the emerging green economy.

The bill provides for improved information about employer needs and builds on the Employment Security Department's great effort around defining and forecasting green jobs. The bill promotes the development of green job training programs and more effective utilization of apprenticeships in filling green job employment demands. Finally, the bill creates the Evergreen Jobs Training Account which lays the foundation for future investments in workers and skills in this key segment of the economy.

In addition to these important steps forward, the bill includes some administrative provisions and other requirements that were not funded in the final budget. As a result, the intent sections in Section 1; the leadership team, duties, and related definitions in Sections 3, 5 and 6; requirements around training development that are not consistent with federal timelines in Section 7; and some technical provisions in Sections 13, 14 and 16 are vetoed.

Although the reporting requirements of Section 4 are not being vetoed, they have raised concerns about data availability, duplication of effort, and staff burden. Section 4 is retained with the understanding that the sponsor, the Department, and others will work together to identify appropriate measures and reporting.

Having vetoed the specific requirements around procedures, task forces, and reports, it must be noted that the goal of a more unified strategy for green jobs and some necessary, immediate steps forward are retained from this bill. Although some of the mechanisms in the bill are removed by veto, the state commitment to developing world class curricula and promoting green jobs remains vital and the sections of the Evergreen Jobs Act that are retained are a significant contribution to that effort.

For these reasons, I have vetoed Sections 1, 3, 5, 6, 7, 13, 14 and 16 of Engrossed Second Substitute House Bill 2227.

With the exception of Sections 1, 3, 5, 6, 7, 13, 14, and 16 Engrossed Second Substitute House Bill 2227 is approved."

CHAPTER 537

[Engrossed Substitute House Bill 2245]

PUBLIC EMPLOYEES BENEFITS BOARD—BENEFITS ELIGIBILITY

AN ACT Relating to clarifying public employees' benefits board eligibility; amending RCW 41.05.008, 41.05.011, 41.05.050, and 41.05.055; reenacting and amending RCW 41.05.021 and 41.05.065; adding a new section to chapter 41.05 RCW; creating a new section; repealing RCW 41.05.053; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.05.008 and 2005 c 143 s 4 are each amended to read as follows:

(1) Every employing agency (~~((shall fully cooperate with the authority and))~~) shall carry out all actions required by the authority under this chapter including, but not limited to, those necessary for the operation of benefit plans, education of employees, claims administration, and ~~((other activities that may be required by the authority for administration of this chapter))~~ appeals process.

(2) Employing agencies shall report all data relating to employees eligible to participate in benefits or plans administered by the authority in a format designed and communicated by the authority.

NEW SECTION. Sec. 2. A new section is added to chapter 41.05 RCW to read as follows:

(1) The authority, or at the authority's direction, an employing agency shall initially determine and periodically review whether an employee is eligible for benefits pursuant to the criteria established under this chapter.

(2) An employing agency shall inform an employee in writing whether or not he or she is eligible for benefits when initially determined and upon any subsequent change, including notice of the employee's right to an appeal.

Sec. 3. RCW 41.05.011 and 2008 c 229 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administrator" means the administrator of the authority.

(2) "State purchased health care" or "health care" means medical and health care, pharmaceuticals, and medical equipment purchased with state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and local school districts.

(3) "Authority" means the Washington state health care authority.

(4) "Insuring entity" means an insurer as defined in chapter 48.01 RCW, a health care service contractor as defined in chapter 48.44 RCW, or a health maintenance organization as defined in chapter 48.46 RCW.

(5) "Flexible benefit plan" means a benefit plan that allows employees to choose the level of health care coverage provided and the amount of employee contributions from among a range of choices offered by the authority.

(6) "Employee" includes all (~~full-time and career seasonal~~) employees of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including full-time members of boards, commissions, or committees; (~~and includes any or all part-time and temporary employees under the terms and conditions established under this chapter by the authority;~~) justices of the supreme court and judges of the court of appeals and the superior courts; (~~and~~) members of the state legislature (~~or of the legislative authority of any county, city, or town who are elected to office after February 20, 1970~~); (~~and employees of state institutions of higher education~~). Pursuant to contractual agreement with the authority, "employee" may also include(s): (a) Employees of a county, municipality, or other political subdivision of the state and members of the legislative authority of any county, city, or town who are elected to office after February 20, 1970, if the legislative authority of the county, municipality, or other political subdivision of the state seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205 and 41.05.021(1)(g); (b) employees of employee organizations representing state civil service employees, at the option of each such employee organization, and, effective October 1, 1995, employees of employee organizations currently pooled with employees of school districts for the purpose of purchasing insurance benefits, at the option of each such employee organization; (c) employees of a school district if the authority agrees to provide any of the school districts' insurance programs by contract with the authority as provided in RCW 28A.400.350; and (d)

employees of a tribal government, if the governing body of the tribal government seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (f) and (g). "Employee" does not include: Adult family homeowners; unpaid volunteers; patients of state hospitals; inmates; employees of the Washington state convention and trade center as provided in RCW 41.05.110; students of institutions of higher education as determined by their institution; and any others not expressly defined as employees under this chapter or by the authority under this chapter.

(7) "Seasonal employee" means an employee hired to work during a recurring, annual season with a duration of three months or more, and anticipated to return each season to perform similar work.

(8) "Faculty" means an academic employee of an institution of higher education whose workload is not defined by work hours but whose appointment, workload, and duties directly serve the institution's academic mission, as determined under the authority of its enabling statutes, its governing body, and any applicable collective bargaining agreement.

(9) "Board" means the public employees' benefits board established under RCW 41.05.055.

~~((8))~~ (10) "Retired or disabled school employee" means:

(a) Persons who separated from employment with a school district or educational service district and are receiving a retirement allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

(b) Persons who separate from employment with a school district or educational service district on or after October 1, 1993, and immediately upon separation receive a retirement allowance under chapter 41.32, 41.35, or 41.40 RCW;

(c) Persons who separate from employment with a school district or educational service district due to a total and permanent disability, and are eligible to receive a deferred retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

~~((9))~~ (11) "Premium payment plan" means a benefit plan whereby state and public employees may pay their share of group health plan premiums with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

~~((10))~~ (12) "Salary" means a state employee's monthly salary or wages.

~~((11))~~ (13) "Participant" means an individual who fulfills the eligibility and enrollment requirements under the salary reduction plan.

~~((12))~~ (14) "Plan year" means the time period established by the authority.

~~((13))~~ (15) "Separated employees" means persons who separate from employment with an employer as defined in:

(a) RCW 41.32.010(11) on or after July 1, 1996; or

(b) RCW 41.35.010 on or after September 1, 2000; or

(c) RCW 41.40.010 on or after March 1, 2002;

and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(40), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement system plan 3 as defined in RCW 41.40.010.

~~((+4))~~ (16) "Emergency service personnel killed in the line of duty" means law enforcement officers and firefighters as defined in RCW 41.26.030, members of the Washington state patrol retirement fund as defined in RCW 43.43.120, and reserve officers and firefighters as defined in RCW 41.24.010 who die as a result of injuries sustained in the course of employment as determined consistent with Title 51 RCW by the department of labor and industries.

~~((+5))~~ (17) "Employer" means the state of Washington.

~~((+6))~~ (18) "Employing agency" means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, school district, educational service district, or other political subdivision; and a tribal government covered by this chapter.

~~((+7))~~ (19) "Tribal government" means an Indian tribal government as defined in section 3(32) of the employee retirement income security act of 1974, as amended, or an agency or instrumentality of the tribal government, that has government offices principally located in this state.

~~((+8))~~ (20) "Dependent care assistance program" means a benefit plan whereby state and public employees may pay for certain employment related dependent care with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or other sections of the internal revenue code.

~~((+9))~~ (21) "Salary reduction plan" means a benefit plan whereby state and public employees may agree to a reduction of salary on a pretax basis to participate in the dependent care assistance program, medical flexible spending arrangement, or premium payment plan offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

~~((+20))~~ (22) "Medical flexible spending arrangement" means a benefit plan whereby state and public employees may reduce their salary before taxes to pay for medical expenses not reimbursed by insurance as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

Sec. 4. RCW 41.05.021 and 2007 c 274 s 1 and 2007 c 114 s 3 are each reenacted and amended to read as follows:

(1) The Washington state health care authority is created within the executive branch. The authority shall have an administrator appointed by the governor, with the consent of the senate. The administrator shall serve at the pleasure of the governor. The administrator may employ up to seven staff members, who shall be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter. The administrator may delegate any power or duty vested in him or her by this chapter, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW. The primary duties of the authority shall be to: Administer state employees' insurance benefits and retired or disabled school employees' insurance benefits; administer the basic health plan pursuant to chapter 70.47 RCW; study state-purchased health care programs in order to maximize cost containment in these programs while ensuring access to quality health care; implement state initiatives, joint purchasing strategies, and techniques for efficient administration that have potential application to all state-purchased health services; and administer grants that further the mission and

goals of the authority. The authority's duties include, but are not limited to, the following:

(a) To administer health care benefit programs for employees and retired or disabled school employees as specifically authorized in RCW 41.05.065 and in accordance with the methods described in RCW 41.05.075, 41.05.140, and other provisions of this chapter;

(b) To analyze state-purchased health care programs and to explore options for cost containment and delivery alternatives for those programs that are consistent with the purposes of those programs, including, but not limited to:

(i) Creation of economic incentives for the persons for whom the state purchases health care to appropriately utilize and purchase health care services, including the development of flexible benefit plans to offset increases in individual financial responsibility;

(ii) Utilization of provider arrangements that encourage cost containment, including but not limited to prepaid delivery systems, utilization review, and prospective payment methods, and that ensure access to quality care, including assuring reasonable access to local providers, especially for employees residing in rural areas;

(iii) Coordination of state agency efforts to purchase drugs effectively as provided in RCW 70.14.050;

(iv) Development of recommendations and methods for purchasing medical equipment and supporting services on a volume discount basis;

(v) Development of data systems to obtain utilization data from state-purchased health care programs in order to identify cost centers, utilization patterns, provider and hospital practice patterns, and procedure costs, utilizing the information obtained pursuant to RCW 41.05.031; and

(vi) In collaboration with other state agencies that administer state purchased health care programs, private health care purchasers, health care facilities, providers, and carriers:

(A) Use evidence-based medicine principles to develop common performance measures and implement financial incentives in contracts with insuring entities, health care facilities, and providers that:

(I) Reward improvements in health outcomes for individuals with chronic diseases, increased utilization of appropriate preventive health services, and reductions in medical errors; and

(II) Increase, through appropriate incentives to insuring entities, health care facilities, and providers, the adoption and use of information technology that contributes to improved health outcomes, better coordination of care, and decreased medical errors;

(B) Through state health purchasing, reimbursement, or pilot strategies, promote and increase the adoption of health information technology systems, including electronic medical records, by hospitals as defined in RCW 70.41.020(4), integrated delivery systems, and providers that:

(I) Facilitate diagnosis or treatment;

(II) Reduce unnecessary duplication of medical tests;

(III) Promote efficient electronic physician order entry;

(IV) Increase access to health information for consumers and their providers; and

(V) Improve health outcomes;

(C) Coordinate a strategy for the adoption of health information technology systems using the final health information technology report and recommendations developed under chapter 261, Laws of 2005;

(c) To analyze areas of public and private health care interaction;

(d) To provide information and technical and administrative assistance to the board;

(e) To review and approve or deny applications from counties, municipalities, and other political subdivisions of the state to provide state-sponsored insurance or self-insurance programs to their employees in accordance with the provisions of RCW 41.04.205 and (g) of this subsection, setting the premium contribution for approved groups as outlined in RCW 41.05.050;

(f) To review and approve or deny the application when the governing body of a tribal government applies to transfer their employees to an insurance or self-insurance program administered under this chapter. In the event of an employee transfer pursuant to this subsection (1)(f), members of the governing body are eligible to be included in such a transfer if the members are authorized by the tribal government to participate in the insurance program being transferred from and subject to payment by the members of all costs of insurance for the members. The authority shall: (i) Establish the conditions for participation; (ii) have the sole right to reject the application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050. Approval of the application by the authority transfers the employees and dependents involved to the insurance, self-insurance, or health care program approved by the authority;

(g) To ensure the continued status of the employee insurance or self-insurance programs administered under this chapter as a governmental plan under section 3(32) of the employee retirement income security act of 1974, as amended, the authority shall limit the participation of employees of a county, municipal, school district, educational service district, or other political subdivision, or a tribal government, including providing for the participation of those employees whose services are substantially all in the performance of essential governmental functions, but not in the performance of commercial activities;

(h) To establish billing procedures and collect funds from school districts in a way that minimizes the administrative burden on districts;

(i) To publish and distribute to nonparticipating school districts and educational service districts by October 1st of each year a description of health care benefit plans available through the authority and the estimated cost if school districts and educational service district employees were enrolled;

(j) To apply for, receive, and accept grants, gifts, and other payments, including property and service, from any governmental or other public or private entity or person, and make arrangements as to the use of these receipts to implement initiatives and strategies developed under this section;

(k) To issue, distribute, and administer grants that further the mission and goals of the authority; ~~(and)~~

(l) To adopt rules consistent with this chapter as described in RCW 41.05.160 including, but not limited to:

(i) Setting forth the criteria established by the board under RCW 41.05.065 for determining whether an employee is eligible for benefits;

(ii) Establishing an appeal process in accordance with chapter 34.05 RCW by which an employee may appeal an eligibility determination;

(iii) Establishing a process to assure that the eligibility determinations of an employing agency comply with the criteria under this chapter, including the imposition of penalties as may be authorized by the board.

(2) On and after January 1, 1996, the public employees' benefits board may implement strategies to promote managed competition among employee health benefit plans. Strategies may include but are not limited to:

(a) Standardizing the benefit package;

(b) Soliciting competitive bids for the benefit package;

(c) Limiting the state's contribution to a percent of the lowest priced qualified plan within a geographical area;

(d) Monitoring the impact of the approach under this subsection with regards to: Efficiencies in health service delivery, cost shifts to subscribers, access to and choice of managed care plans statewide, and quality of health services. The health care authority shall also advise on the value of administering a benchmark employer-managed plan to promote competition among managed care plans.

Sec. 5. RCW 41.05.050 and 2007 c 114 s 4 are each amended to read as follows:

(1) Every: (a) Department, division, or separate agency of state government; (b) county, municipal, school district, educational service district, or other political subdivisions; and (c) tribal governments as are covered by this chapter, shall provide contributions to insurance and health care plans for its employees and their dependents, the content of such plans to be determined by the authority. Contributions, paid by the county, the municipality, other political subdivision, or a tribal government for their employees, shall include an amount determined by the authority to pay such administrative expenses of the authority as are necessary to administer the plans for employees of those groups, except as provided in subsection (4) of this section.

(2) If the authority at any time determines that the participation of a county, municipal, other political subdivision, or a tribal government covered under this chapter adversely impacts insurance rates for state employees, the authority shall implement limitations on the participation of additional county, municipal, other political subdivisions, or a tribal government.

(3) The contributions of any: (a) Department, division, or separate agency of the state government; (b) county, municipal, or other political subdivisions; and (c) any tribal government as are covered by this chapter, shall be set by the authority, subject to the approval of the governor for availability of funds as specifically appropriated by the legislature for that purpose. Insurance and health care contributions for ferry employees shall be governed by RCW 47.64.270.

(4)(a) ~~((Beginning September 1, 2003,))~~ The authority shall collect from each participating school district and educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and family size as would be charged to state employees, for groups of district employees enrolled in authority plans ~~((as of~~

January 1, 2003. However, during the 2005-07 fiscal biennium, the authority shall collect from each participating school district and educational service district an amount equal to the insurance benefit allocations provided in section 504, chapter 518, Laws of 2005, plus any additional funding provided by the legislature for school employee health benefits, plus an amount equal to the employee premiums by plan and family size as would be charged to state employees, for groups of district employees enrolled in authority plans as of July 1, 2005)). The authority may collect these amounts in accordance with the district fiscal year, as described in RCW 28A.505.030.

(b) For all groups of district employees enrolling in authority plans for the first time after September 1, 2003, the authority shall collect from each participating school district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and by family size as would be charged to state employees, only if the authority determines that this method of billing the districts will not result in a material difference between revenues from districts and expenditures made by the authority on behalf of districts and their employees. The authority may collect these amounts in accordance with the district fiscal year, as described in RCW 28A.505.030.

(c) If the authority determines at any time that the conditions in (b) of this subsection cannot be met, the authority shall offer enrollment to additional groups of district employees on a tiered rate structure until such time as the authority determines there would be no material difference between revenues and expenditures under a composite rate structure for all district employees enrolled in authority plans.

(d) The authority may charge districts a one-time set-up fee for employee groups enrolling in authority plans for the first time.

(e) For the purposes of this subsection:

(i) "District" means school district and educational service district; and

(ii) "Tiered rates" means the amounts the authority must pay to insuring entities by plan and by family size.

(f) Notwithstanding this subsection and RCW 41.05.065(~~((3))~~) (4), the authority may allow districts enrolled on a tiered rate structure prior to September 1, 2002, to continue participation based on the same rate structure and under the same conditions and eligibility criteria.

(5) The authority shall transmit a recommendation for the amount of the employer contribution to the governor and the director of financial management for inclusion in the proposed budgets submitted to the legislature.

Sec. 6. RCW 41.05.055 and 1995 1st sp.s. c 6 s 4 are each amended to read as follows:

(1) The public employees' benefits board is created within the authority. The function of the board is to design and approve insurance benefit plans for ~~((state))~~ employees and ~~((school district employees))~~ to establish eligibility criteria for participation in insurance benefit plans.

(2) The board shall be composed of nine members appointed by the governor as follows:

(a) Two representatives of state employees, one of whom shall represent an employee union certified as exclusive representative of at least one bargaining unit of classified employees, and one of whom is retired, is covered by a

program under the jurisdiction of the board, and represents an organized group of retired public employees;

(b) Two representatives of school district employees, one of whom shall represent an association of school employees and one of whom is retired, and represents an organized group of retired school employees;

(c) Four members with experience in health benefit management and cost containment; and

(d) The administrator.

(3) The member who represents an association of school employees and one member appointed pursuant to subsection (2)(c) of this section shall be nonvoting members until such time that there are no less than twelve thousand school district employee subscribers enrolled with the authority for health care coverage.

(4) The governor shall appoint the initial members of the board to staggered terms not to exceed four years. Members appointed thereafter shall serve two-year terms. Members of the board shall be compensated in accordance with RCW 43.03.250 and shall be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060. The board shall prescribe rules for the conduct of its business. The administrator shall serve as chair of the board. Meetings of the board shall be at the call of the chair.

Sec. 7. RCW 41.05.065 and 2007 c 156 s 10 and 2007 c 114 s 5 are each reenacted and amended to read as follows:

(1) The board shall study all matters connected with the provision of health care coverage, life insurance, liability insurance, accidental death and dismemberment insurance, and disability income insurance or any of, or a combination of, the enumerated types of insurance for employees and their dependents on the best basis possible with relation both to the welfare of the employees and to the state. However, liability insurance shall not be made available to dependents.

(2) The board shall develop employee benefit plans that include comprehensive health care benefits for ~~((all))~~ employees. In developing these plans, the board shall consider the following elements:

(a) Methods of maximizing cost containment while ensuring access to quality health care;

(b) Development of provider arrangements that encourage cost containment and ensure access to quality care, including but not limited to prepaid delivery systems and prospective payment methods;

(c) Wellness incentives that focus on proven strategies, such as smoking cessation, injury and accident prevention, reduction of alcohol misuse, appropriate weight reduction, exercise, automobile and motorcycle safety, blood cholesterol reduction, and nutrition education;

(d) Utilization review procedures including, but not limited to a cost-efficient method for prior authorization of services, hospital inpatient length of stay review, requirements for use of outpatient surgeries and second opinions for surgeries, review of invoices or claims submitted by service providers, and performance audit of providers;

(e) Effective coordination of benefits; and

(f) Minimum standards for insuring entities(~~(;and~~

~~((g) Minimum scope and content of public employee benefit plans to be offered to enrollees participating in the employee health benefit plans)).~~

~~((3) To maintain the comprehensive nature of employee health care benefits, ((employee eligibility criteria related to the number of hours worked and the))~~ benefits provided to employees shall be substantially equivalent to the state employees' health benefits plan ~~((and eligibility criteria))~~ in effect on January 1, 1993. Nothing in this subsection ~~((2)(g))~~ shall prohibit changes or increases in employee point-of-service payments or employee premium payments for benefits or the administration of a high deductible health plan in conjunction with a health savings account. The board may establish employee eligibility criteria which are not substantially equivalent to employee eligibility criteria in effect on January 1, 1993.

~~((3))~~ (4) Except if bargained for under chapter 41.80 RCW, the board shall design benefits and determine the terms and conditions of employee and retired employee participation and coverage, including establishment of eligibility criteria subject to the requirements of ~~((RCW 41.05.066. The same terms and conditions of participation and coverage, including eligibility criteria, shall apply to state employees and to school district employees and educational service district employees))~~ this chapter. Employer groups obtaining benefits through contractual agreement with the authority for employees defined in RCW 41.05.011(6) (a) through (d) may contractually agree with the authority to benefits eligibility criteria which differs from that determined by the board. The eligibility criteria established by the board shall be no more restrictive than the following:

(a) Except as provided in (b) through (e) of this subsection, an employee is eligible for benefits from the date of employment if the employing agency anticipates he or she will work an average of at least eighty hours per month and for at least eight hours in each month for more than six consecutive months. An employee determined ineligible for benefits at the beginning of his or her employment shall become eligible in the following circumstances:

(i) An employee who works an average of at least eighty hours per month and for at least eight hours in each month and whose anticipated duration of employment is revised from less than or equal to six consecutive months to more than six consecutive months becomes eligible when the revision is made.

(ii) An employee who works an average of at least eighty hours per month over a period of six consecutive months and for at least eight hours in each of those six consecutive months becomes eligible at the first of the month following the six-month averaging period.

(b) A seasonal employee is eligible for benefits from the date of employment if the employing agency anticipates that he or she will work an average of at least eighty hours per month and for at least eight hours in each month of the season. A seasonal employee determined ineligible at the beginning of his or her employment who works an average of at least half-time, as defined by the board, per month over a period of six consecutive months and at least eight hours in each of those six consecutive months becomes eligible at the first of the month following the six-month averaging period. A benefits-eligible seasonal employee who works a season of less than nine months shall not be eligible for the employer contribution during the off season, but may continue enrollment in benefits during the off season by self-paying for the

benefits. A benefits-eligible seasonal employee who works a season of nine months or more is eligible for the employer contribution through the off season following each season worked.

(c) Faculty are eligible as follows:

(i) Faculty who the employing agency anticipates will work half-time or more for the entire instructional year or equivalent nine-month period are eligible for benefits from the date of employment. Eligibility shall continue until the beginning of the first full month of the next instructional year, unless the employment relationship is terminated, in which case eligibility shall cease the first month following the notice of termination or the effective date of the termination, whichever is later.

(ii) Faculty who the employing agency anticipates will not work for the entire instructional year or equivalent nine-month period are eligible for benefits at the beginning of the second consecutive quarter or semester of employment in which he or she is anticipated to work, or has actually worked, half-time or more. Such an employee shall continue to receive uninterrupted employer contributions for benefits if the employee works at least half-time in a quarter or semester. Faculty who the employing agency anticipates will not work for the entire instructional year or equivalent nine-month period, but who actually work half-time or more throughout the entire instructional year, are eligible for summer or off-quarter coverage. Faculty who have met the criteria of this subsection (4)(c)(ii), who work at least two quarters of the academic year with an average academic year workload of half-time or more for three quarters of the academic year, and who have worked an average of half-time or more in each of the two preceding academic years shall continue to receive uninterrupted employer contributions for benefits if he or she works at least half-time in a quarter or semester or works two quarters of the academic year with an average academic workload each academic year of half-time or more for three quarters. Eligibility under this section ceases immediately if this criteria is not met.

(iii) Faculty may establish or maintain eligibility for benefits by working for more than one institution of higher education. When faculty work for more than one institution of higher education, those institutions shall prorate the employer contribution costs, or if eligibility is reached through one institution, that institution will pay the full employer contribution. Faculty working for more than one institution must alert his or her employers to his or her potential eligibility in order to establish eligibility.

(iv) The employing agency must provide written notice to faculty who are potentially eligible for benefits under this subsection (4)(c) of their potential eligibility.

(v) To be eligible for maintenance of benefits through averaging under (c)(ii) of this subsection, faculty must provide written notification to his or her employing agency or agencies of his or her potential eligibility.

(d) A legislator is eligible for benefits on the date his or her term begins. All other elected and full-time appointed officials of the legislative and executive branches of state government are eligible for benefits on the date his or her term begins or they take the oath of office, whichever occurs first.

(e) A justice of the supreme court and judges of the court of appeals and the superior courts become eligible for benefits on the date he or she takes the oath of office.

(f) Except as provided in (c)(i) and (ii) of this subsection, eligibility ceases for any employee the first of the month following termination of the employment relationship.

(g) In determining eligibility under this section, the employing agency may disregard training hours, standby hours, or temporary changes in work hours as determined by the authority under this section.

(h) Insurance coverage for all eligible employees begins on the first day of the month following the date when eligibility for benefits is established. If the date eligibility is established is the first working day of a month, insurance coverage begins on that date.

(i) Eligibility for an employee whose work circumstances are described by more than one of the eligibility categories in (a) through (e) of this subsection shall be determined solely by the criteria of the category that most closely describes the employee's work circumstances.

(j) Except for an employee eligible for benefits under (b) or (c)(ii) of this subsection, an employee who has established eligibility for benefits under this section shall remain eligible for benefits each month in which he or she is in pay status for eight or more hours, if (i) he or she remains in a benefits-eligible position and (ii) leave from the benefits-eligible position is approved by the employing agency. A benefits-eligible seasonal employee is eligible for the employer contribution in any month of his or her season in which he or she is in pay status eight or more hours during that month. Eligibility ends if these conditions are not met, the employment relationship is terminated, or the employee voluntarily transfers to a noneligible position.

(k) For the purposes of this subsection:

(i) "Academic year" means summer, fall, winter, and spring quarters or semesters;

(ii) "Half-time" means one-half of the full-time academic workload as determined by each institution, except that half-time for community and technical college faculty employees shall have the same meaning as "part-time" under RCW 28B.50.489;

(iii) "Benefits-eligible position" shall be defined by the board.

~~((4)) (5)~~ The board may authorize premium contributions for an employee and the employee's dependents in a manner that encourages the use of cost-efficient managed health care systems. ~~((During the 2005-2007 fiscal biennium, the board may only authorize premium contributions for an employee and the employee's dependents that are the same, regardless of an employee's status as represented or nonrepresented by a collective bargaining unit under the personnel system reform act of 2002. The board shall require participating school district and educational service district employees to pay at least the same employee premiums by plan and family size as state employees pay.~~

~~(5)) (6)~~ The board shall develop a health savings account option for employees that conform to section 223, Part VII of subchapter B of chapter 1 of the internal revenue code of 1986. The board shall comply with all applicable federal standards related to the establishment of health savings accounts.

~~((6)) (7)~~ Notwithstanding any other provision of this chapter, the board shall develop a high deductible health plan to be offered in conjunction with a health savings account developed under subsection ~~((5)) (6)~~ of this section.

~~((7))~~ (8) Employees shall choose participation in one of the health care benefit plans developed by the board and may be permitted to waive coverage under terms and conditions established by the board.

~~((8))~~ (9) The board shall review plans proposed by insuring entities that desire to offer property insurance and/or accident and casualty insurance to state employees through payroll deduction. The board may approve any such plan for payroll deduction by insuring entities holding a valid certificate of authority in the state of Washington and which the board determines to be in the best interests of employees and the state. The board shall adopt rules setting forth criteria by which it shall evaluate the plans.

~~((9))~~ (10) Before January 1, 1998, the public employees' benefits board shall make available one or more fully insured long-term care insurance plans that comply with the requirements of chapter 48.84 RCW. Such programs shall be made available to eligible employees, retired employees, and retired school employees as well as eligible dependents which, for the purpose of this section, includes the parents of the employee or retiree and the parents of the spouse of the employee or retiree. Employees of local governments, political subdivisions, and tribal governments not otherwise enrolled in the public employees' benefits board sponsored medical programs may enroll under terms and conditions established by the administrator, if it does not jeopardize the financial viability of the public employees' benefits board's long-term care offering.

(a) Participation of eligible employees or retired employees and retired school employees in any long-term care insurance plan made available by the public employees' benefits board is voluntary and shall not be subject to binding arbitration under chapter 41.56 RCW. Participation is subject to reasonable underwriting guidelines and eligibility rules established by the public employees' benefits board and the health care authority.

(b) The employee, retired employee, and retired school employee are solely responsible for the payment of the premium rates developed by the health care authority. The health care authority is authorized to charge a reasonable administrative fee in addition to the premium charged by the long-term care insurer, which shall include the health care authority's cost of administration, marketing, and consumer education materials prepared by the health care authority and the office of the insurance commissioner.

(c) To the extent administratively possible, the state shall establish an automatic payroll or pension deduction system for the payment of the long-term care insurance premiums.

(d) The public employees' benefits board and the health care authority shall establish a technical advisory committee to provide advice in the development of the benefit design and establishment of underwriting guidelines and eligibility rules. The committee shall also advise the board and authority on effective and cost-effective ways to market and distribute the long-term care product. The technical advisory committee shall be comprised, at a minimum, of representatives of the office of the insurance commissioner, providers of long-term care services, licensed insurance agents with expertise in long-term care insurance, employees, retired employees, retired school employees, and other interested parties determined to be appropriate by the board.

(e) The health care authority shall offer employees, retired employees, and retired school employees the option of purchasing long-term care insurance

through licensed agents or brokers appointed by the long-term care insurer. The authority, in consultation with the public employees' benefits board, shall establish marketing procedures and may consider all premium components as a part of the contract negotiations with the long-term care insurer.

(f) In developing the long-term care insurance benefit designs, the public employees' benefits board shall include an alternative plan of care benefit, including adult day services, as approved by the office of the insurance commissioner.

(g) The health care authority, with the cooperation of the office of the insurance commissioner, shall develop a consumer education program for the eligible employees, retired employees, and retired school employees designed to provide education on the potential need for long-term care, methods of financing long-term care, and the availability of long-term care insurance products including the products offered by the board.

(11) The board may establish penalties to be imposed by the authority when the eligibility determinations of an employing agency fail to comply with the criteria under this chapter.

NEW SECTION. Sec. 8. RCW 41.05.053 (Community and technical colleges—Part-time academic employees—Continuous health care eligibility—Employer contributions) and 2007 c 302 s 2 & 2006 c 308 s 2 are each repealed.

NEW SECTION. Sec. 9. This act takes effect January 1, 2010.

NEW SECTION. Sec. 10. An employee determined eligible for benefits prior to January 1, 2010, shall not have his or her eligibility terminated pursuant to the criteria established under this act unless the termination is the result of: (1) A voluntary reduction in work hours; or (2) the employee's employment with an agency other than the agency by which he or she was determined eligible prior to January 1, 2010.

Passed by the House March 11, 2009.

Passed by the Senate April 26, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 538

[House Bill 2349]

DISPROPORTIONATE SHARE HOSPITAL ADJUSTMENTS

AN ACT Relating to disproportionate share hospital adjustments; and amending RCW 74.09.730.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.09.730 and 1991 sp.s. c 9 s 8 are each amended to read as follows:

In establishing Title XIX payments for inpatient hospital services:

(1) To the extent funds are appropriated specifically for this purpose, and subject to any conditions placed on appropriations made for this purpose, the department of social and health services shall provide a disproportionate share hospital adjustment considering the following components:

(a) A low-income care component based on a hospital's medicaid utilization rate, its low-income utilization rate, its provision of obstetric services, and other factors authorized by federal law;

(b) A medical indigency care component based on a hospital's services to persons who are medically indigent; and

(c) A state-only component, to be paid from available state funds to hospitals that do not qualify for federal payments under (b) of this subsection, based on a hospital's services to persons who are medically indigent;

(2) The payment methodology for disproportionate share hospitals shall be specified by the department in regulation.

Passed by the House April 20, 2009.

Passed by the Senate April 23, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 539

[Substitute House Bill 2343]

EDUCATION PROGRAMS—FUNDING—SAVINGS

AN ACT Relating to achieving savings in education programs by revising provisions relating to diagnostic assessments, classified staff training, conditional scholarships, certain professional development programs, coordination for career and technical student organizations, and national board certification bonuses; amending RCW 28A.655.200, 28A.415.315, 28A.660.050, 28A.415.350, 28A.415.250, and 28A.405.415; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.655.200 and 2007 c 354 s 8 are each amended to read as follows:

(1) The legislature intends to permit school districts to offer norm-referenced assessments, make diagnostic tools available to school districts, and provide funding for diagnostic assessments to enhance student learning at all grade levels and provide early intervention before the high school Washington assessment of student learning.

(2) In addition to the diagnostic assessments provided under this section, school districts may, at their own expense, administer norm-referenced assessments to students.

(3) Subject to the availability of amounts appropriated for this purpose, the office of the superintendent of public instruction shall post on its web site for voluntary use by school districts, a guide of diagnostic assessments. The assessments in the guide, to the extent possible, shall include the characteristics listed in subsection (4) of this section.

(4) Subject to the availability of amounts appropriated for this purpose, beginning September 1, 2007, the office of the superintendent of public instruction shall make diagnostic assessments in reading, writing, mathematics, and science in elementary, middle, and high school grades available to school districts. Subject to funds appropriated for this purpose, the office of the superintendent of public instruction shall also provide funding to school districts for administration of diagnostic assessments to help improve student learning, identify academic weaknesses, enhance student planning and guidance, and

develop targeted instructional strategies to assist students before the high school Washington assessment of student learning. To the greatest extent possible, the assessments shall be:

- (a) Aligned to the state's grade level expectations;
 - (b) Individualized to each student's performance level;
 - (c) Administered efficiently to provide results either immediately or within two weeks;
 - (d) Capable of measuring individual student growth over time and allowing student progress to be compared to other students across the country;
 - (e) Readily available to parents; and
 - (f) Cost-effective.
- (5) The office of the superintendent of public instruction shall offer training at statewide and regional staff development activities in:
- (a) The interpretation of diagnostic assessments; and
 - (b) Application of instructional strategies that will increase student learning based on diagnostic assessment data.

Sec. 2. RCW 28A.415.315 and 2008 c 65 s 2 are each amended to read as follows:

Subject to the availability of amounts appropriated for this purpose, the office of the superintendent of public instruction, in consultation with various groups representing school district classified employees, shall develop and offer a training strand through the summer institutes and the winter conference targeted to classified instructional assistants and designed to help them maximize their effectiveness in improving student achievement.

Sec. 3. RCW 28A.660.050 and 2007 c 396 s 8 are each amended to read as follows:

Subject to the availability of amounts appropriated for these purposes, the conditional scholarship programs in this chapter are created under the following guidelines:

(1) The programs shall be administered by the higher education coordinating board. In administering the programs, the higher education coordinating board has the following powers and duties:

- (a) To adopt necessary rules and develop guidelines to administer the programs;
- (b) To collect and manage repayments from participants who do not meet their service obligations; and
- (c) To accept grants and donations from public and private sources for the programs.

(2) Requirements for participation in the conditional scholarship programs are as provided in this subsection (2).

(a) The alternative route conditional scholarship program is limited to interns of the partnership grant programs under RCW 28A.660.040. In order to receive conditional scholarship awards, recipients shall:

- (i) Be accepted and maintain enrollment in alternative certification routes through the partnership grant program;
- (ii) Continue to make satisfactory progress toward completion of the alternative route certification program and receipt of a residency teaching certificate; and

(iii) Receive no more than the annual amount of the scholarship, not to exceed eight thousand dollars, for the cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of resident undergraduate tuition and fee increases at the state universities as defined in RCW 28B.10.016.

(b) The pipeline for paraeducators conditional scholarship program is limited to qualified paraeducators as provided by RCW 28A.660.042. In order to receive conditional scholarship awards, recipients shall:

(i) Be accepted and maintain enrollment at a community and technical college for no more than two years and attain an associate of arts degree;

(ii) Continue to make satisfactory progress toward completion of an associate of arts degree. This progress requirement is a condition for eligibility into a route one program of the alternative routes to teacher certification program for a mathematics, special education, or English as a second language endorsement; and

(iii) Receive no more than the annual amount of the scholarship, not to exceed four thousand dollars, for the cost of tuition, fees, and educational expenses, including books, supplies, and transportation for the alternative route certification program in which the recipient is enrolled. The board may adjust the annual award by the average rate of tuition and fee increases at the state community and technical colleges.

(c) The retooling to teach mathematics and science conditional scholarship program is limited to current K-12 teachers and individuals having an elementary education certificate but who are not employed in positions requiring an elementary education certificate as provided by RCW 28A.660.045. In order to receive conditional scholarship awards:

(i) Individuals currently employed as teachers shall pursue a middle level mathematics or science, or secondary mathematics or science endorsement; or

(ii) Individuals who are certificated with an elementary education endorsement, but not employed in positions requiring an elementary education certificate, shall pursue an endorsement in middle level mathematics or science, or both; and

(iii) Individuals shall use one of the pathways to endorsement processes to receive a mathematics or science endorsement, or both, which shall include passing a mathematics or science endorsement test, or both tests, plus observation and completing applicable coursework to attain the proper endorsement; and

(iv) Individuals shall receive no more than the annual amount of the scholarship, not to exceed three thousand dollars, for the cost of tuition, test fees, and educational expenses, including books, supplies, and transportation for the endorsement pathway being pursued.

(3) The Washington professional educator standards board shall select individuals to receive conditional scholarships.

(4) For the purpose of this chapter, a conditional scholarship is a loan that is forgiven in whole or in part in exchange for service as a certificated teacher employed in a Washington state K-12 public school. The state shall forgive one year of loan obligation for every two years a recipient teaches in a public school. Recipients who fail to continue a course of study leading to residency teacher

certification or cease to teach in a public school in the state of Washington in their endorsement area are required to repay the remaining loan principal with interest.

(5) Recipients who fail to fulfill the required teaching obligation are required to repay the remaining loan principal with interest and any other applicable fees. The higher education coordinating board shall adopt rules to define the terms for repayment, including applicable interest rates, fees, and deferments.

(6) The higher education coordinating board may deposit all appropriations, collections, and any other funds received for the program in this chapter in the future teachers conditional scholarship account authorized in RCW 28B.102.080.

Sec. 4. RCW 28A.415.350 and 2007 c 402 s 7 are each amended to read as follows:

Subject to the availability of amounts appropriated for this purpose, the office of the superintendent of public instruction shall:

(1) Create partnerships with the educational service districts or public or private institutions of higher education with approved educator preparation programs to develop and deliver professional development learning opportunities for educators that fulfill the goals and address the activities described in sections 3 through 6 of this act and RCW 28A.415.360. The partnerships shall:

(a) Support school districts by providing professional development leadership, courses, and consultation services to school districts in their implementation of professional development activities, including the activities described in sections 3 through 6 of this act and RCW 28A.415.360; and

(b) Support one another in the delivery of state-level and regional-level professional development activities such as state conferences and regional accountability institutes; and

(2) Enter into a performance agreement with each educational service district to clearly articulate partner responsibilities and assure fidelity for the delivery of professional development initiatives including job-embedded practices. Components of such performance agreements shall include:

(a) Participation in the development of various professional development workshops, programs, and activities;

(b) Characteristics and qualifications of professional development staff supported by the program;

(c) Methods to ensure consistent delivery of professional development services; and

(d) Reporting responsibilities related to services provided, program participation, outcomes, and recommendations for service improvement.

Sec. 5. RCW 28A.415.250 and 1993 c 336 s 401 are each amended to read as follows:

Subject to the availability of amounts appropriated for this purpose, the superintendent of public instruction shall adopt rules to establish and operate a teacher assistance program. For the purposes of this section, the terms "mentor teachers," "beginning teachers," and "experienced teachers" may include any person possessing any one of the various certificates issued by the

superintendent of public instruction under RCW 28A.410.010. Subject to the availability of amounts appropriated for this purpose, the program shall provide for:

(1) Assistance by mentor teachers who will provide a source of continuing and sustained support to beginning teachers, or experienced teachers who are having difficulties, or both, both in and outside the classroom. A mentor teacher may not be involved in evaluations under RCW 28A.405.100 of a teacher who receives assistance from said mentor teacher under the teacher assistance program established under this section. The mentor teachers shall also periodically inform their principals respecting the contents of training sessions and other program activities;

(2) Stipends for mentor teachers and beginning and experienced teachers which shall not be deemed compensation for the purposes of salary lid compliance under RCW 28A.400.200: PROVIDED, That stipends shall not be subject to the continuing contract provisions of this title;

(3) Workshops for the training of mentor and beginning teachers;

(4) The use of substitutes to give mentor teachers, beginning teachers, and experienced teachers opportunities to jointly observe and evaluate teaching situations and to give mentor teachers opportunities to observe and assist beginning and experienced teachers in the classroom;

(5) Mentor teachers who are superior teachers based on their evaluations, pursuant to RCW ((28A.405.010)) 28A.410.025 and 28A.405.030 through 28A.405.240, and who hold valid continuing certificates;

(6) Mentor teachers shall be selected by the district and may serve as mentors up to and including full time. If a bargaining unit, certified pursuant to RCW 41.59.090 exists within the district, classroom teachers representing the bargaining unit shall participate in the mentor teacher selection process; and

(7) Periodic consultation by the superintendent of public instruction or the superintendent's designee with representatives of educational organizations and associations, including educational service districts and public and private institutions of higher education, for the purposes of improving communication and cooperation and program review.

Sec. 6. RCW 28A.405.415 and 2008 c 175 s 2 are each amended to read as follows:

(1) Certificated instructional staff who have attained certification from the national board for professional teaching standards shall receive a bonus each year in which they maintain the certification. The bonus shall be calculated as follows: The annual bonus shall be five thousand dollars in the 2007-08 school year. Thereafter, the annual bonus shall increase by inflation. For the 2009-10 and 2010-11 school years the annual bonus shall be subject to the availability of amounts appropriated for this purpose. During the 2011-2013 and 2013-2015 fiscal biennia, in addition to annual adjustments for inflation, the bonus amount shall be additionally increased such that, by the end of the 2014-15 school year, national board bonus amounts are, at a minimum, equal to what they would have been if annual adjustments for inflation had not been suspended during the 2009-10 or 2010-11 school year.

(2) Certificated instructional staff who have attained certification from the national board for professional teaching standards shall be eligible for bonuses in addition to that provided by subsection (1) of this section if the individual is in

an instructional assignment in a school in which at least seventy percent of the students qualify for the free and reduced-price lunch program.

(3) The amount of the additional bonus under subsection (2) of this section for those meeting the qualifications of subsection (2) of this section is five thousand dollars.

(4) The bonuses provided under this section are in addition to compensation received under a district's salary schedule adopted in accordance with RCW 28A.405.200 and shall not be included in calculations of a district's average salary and associated salary limitations under RCW 28A.400.200.

(5) The bonuses provided under this section shall be paid in a lump sum amount.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the House April 20, 2009.

Passed by the Senate April 23, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 540

[Engrossed Substitute House Bill 2344]

RESIDENT UNDERGRADUATE TUITION—POLICY—PERFORMANCE AUDIT

AN ACT Relating to resident undergraduate tuition; amending RCW 28B.15.068; adding a new section to chapter 28B.15 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28B.15.068 and 2007 c 151 s 1 are each amended to read as follows:

(1) Beginning with the 2007-08 academic year and ending with the 2016-17 academic year, tuition fees charged to full-time resident undergraduate students, except in academic years 2009-10 and 2010-11, may increase no greater than seven percent over the previous academic year in any institution of higher education. Annual reductions or increases in full-time tuition fees for resident undergraduate students shall be as provided in the omnibus appropriations act, within the seven percent increase limit established in this section. For academic years 2009-10 and 2010-11 the omnibus appropriations act may provide tuition increases greater than seven percent. To the extent that state appropriations combined with tuition and fee revenues are insufficient to achieve the total per-student funding goals established in subsection (2) of this section, the legislature may revisit state appropriations, authorized enrollment levels, and changes in tuition fees for any given fiscal year.

(2) The state shall adopt as its goal total per-student funding levels, from state appropriations plus tuition and fees, of at least the sixtieth percentile of total per-student funding at similar public institutions of higher education in the global challenge states. In defining comparable per-student funding levels, the office of financial management shall adjust for regional cost-of-living differences; for differences in program offerings and in the relative mix of lower division, upper division, and graduate students; and for accounting and reporting

differences among the comparison institutions. The office of financial management shall develop a funding trajectory for each four-year institution of higher education and for the community and technical college system as a whole that when combined with tuition and fees revenue allows the state to achieve its funding goal for each four-year institution and the community and technical college system as a whole no later than fiscal year 2017. The state shall not reduce enrollment levels below fiscal year 2007 budgeted levels in order to improve or alter the per-student funding amount at any four-year institution of higher education or the community and technical college system as a whole. The state recognizes that each four-year institution of higher education and the community and technical college system as a whole have different funding requirements to achieve desired performance levels, and that increases to the total per-student funding amount may need to exceed the minimum funding goal.

(3) By September 1st of each year beginning ~~((in))~~ in 2008, the office of financial management shall report to the governor, the higher education coordinating board, and appropriate committees of the legislature with updated estimates of the total per-student funding level that represents the sixtieth percentile of funding for comparable institutions of higher education in the global challenge states, and the progress toward that goal that was made for each of the public institutions of higher education.

(4) As used in this section, "global challenge states" are the top performing states on the new economy index published by the progressive policy institute as of July 22, 2007. The new economy index ranks states on indicators of their potential to compete in the new economy. At least once every five years, the office of financial management shall determine if changes to the list of global challenge states are appropriate. The office of financial management shall report its findings to the governor and the legislature.

(5) During the 2009-10 and the 2010-11 academic years, institutions of higher education shall include information on their billing statements notifying students of tax credits available through the American opportunity tax credit provided in the American recovery and reinvestment act of 2009.

NEW SECTION. Sec. 2. A new section is added to chapter 28B.15 RCW to read as follows:

(1) The higher education coordinating board, in coordination with higher education stakeholders, shall review options and make recommendations on a tuition policy that allows flexibility, accessibility, and differentiation among Washington's various public baccalaureate tuition rates. Recommendations shall support the implementation of the strategic master plan for higher education including consideration of policies that address student access, equity, and academic quality.

(2) The board shall examine policies that couple higher tuition with higher institutional need-based financial aid; differential tuition rates based on family income; differential tuition rates based on institutional mission, campus, credit hours, academic program, and delivery method; and policies that encourage collaboration and coordination among institutions of higher education and that facilitate coenrollment among multiple institutions, including enrollment in online learning courses.

(3) Each option shall be assessed in terms of administrative feasibility, interactions with and implications for state and federal financial aid tuition programs, and impacts on students of different income levels.

(4) The board shall report its findings and recommendations to the governor and to the appropriate committees of the legislature by November 1, 2009.

NEW SECTION. Sec. 3. (1) Within existing resources, the joint legislative audit and review committee shall complete a systemic performance audit of the state universities, regional universities, and The Evergreen State College. The purpose of the audit is to create a transparent link between revenues, expenditures, and performance outcomes as outlined in the performance agreements developed under RCW 28B.10.920 and the strategic master plan for higher education as adopted by the legislature. The study shall:

(a) Identify standardized categories of costs that will allow comparison across various administrative, student support, and academic functions;

(b) Based on available management data, estimate current annual costs at each institution for the various cost categories;

(c) Based on available management data, identify fund sources that support the cost categories at each institution; and

(d) Identify barriers or gaps in data linking revenues, expenditures, and performance agreement outcome measures.

(2) The auditor shall report findings and recommendations to the appropriate committees of the legislature by December 1, 2010. The report shall include, but is not limited to, the following elements as they relate to the purpose of the audit:

(a) The identification of cost savings and programs or services that could be eliminated;

(b) Analysis of gaps or overlaps in programs or services and recommendations to correct gaps or overlaps;

(c) Feasibility of pooling technology systems or elements of technology systems pursuant to chapter __ RCW (Second Substitute House Bill No. 1946), Laws of 2009;

(d) Recommendations for statutory or regulatory changes that may be necessary for the state universities, regional universities, and The Evergreen State College to meet performance agreement objectives mutually agreed upon pursuant to RCW 28B.10.922; and

(e) Recommendations on the development of a uniform higher education performance, budgeting, accounting and reporting system.

Passed by the House April 22, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 541

[Substitute House Bill 2356]

STUDENT ACHIEVEMENT FUND ALLOCATIONS

AN ACT Relating to revising student achievement fund allocations; amending RCW 28A.505.220; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.505.220 and 2009 c 4 s 901 are each amended to read as follows:

(1) Total distributions from the student achievement fund to each school district shall be based upon the average number of full-time equivalent students in the school district during the previous school year as reported to the office of the superintendent of public instruction by August 31st of the previous school year. The superintendent of public instruction shall ensure that moneys generated by skill center students are returned to skill centers.

(2) The allocation rate per full-time equivalent student shall be three hundred dollars in the 2005-06 school year, three hundred seventy-five dollars in the 2006-07 school year, and four hundred fifty dollars in the 2007-08 school year. For each subsequent school year, the amount allocated per full-time equivalent student shall be adjusted for inflation (~~as defined in RCW 43.135.025(8))~~ by the implicit price deflator as published by the federal bureau of labor statistics. However, for the 2009-10 and 2010-11 school years, the amount allocated per full-time equivalent student shall be as specified in the omnibus appropriations act. For the 2011-12 school year and thereafter, amounts allocated shall be further adjusted so that the allocations are equal to what they would have been if allocations had not been reduced for the 2009-10 and 2010-11 school years. These allocations per full-time equivalent student from the student achievement fund shall be supported from the following sources:

(a) Distributions from state property tax proceeds deposited into the student achievement fund under RCW 84.52.068; and

(b) Distributions from the education legacy trust account created in RCW 83.100.230.

(3) Any funds deposited in the student achievement fund under RCW 43.135.045 shall be allocated to school districts on a one-time basis using a rate per full-time equivalent student. These funds are provided in addition to any amounts allocated in subsection (2) of this section.

(4) The school district annual amounts as defined in subsection (2) of this section shall be distributed on the monthly apportionment schedule as defined in RCW 28A.510.250.

(5) However, during the 2008-09 school year, the school district annual amounts as defined in this section shall be distributed as follows:

September:	9.0 percent;
October:	9.0 percent;
November:	5.5 percent;
December:	9.0 percent;
January:	9.0 percent;
February:	9.0 percent;
March:	9.0 percent;
April:	9.0 percent;
May:	5.5 percent;
June:	4.2 percent;
July:	11.8 percent; and
August:	10.0 percent.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the House April 21, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 542

[Substitute Senate Bill 5410]

ONLINE LEARNING

AN ACT Relating to online learning; amending RCW 28A.150.262; adding a new chapter to Title 28A RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that online learning provides tremendous opportunities for students to access curriculum, courses, and a unique learning environment that might not otherwise be available. The legislature supports and encourages online learning opportunities.

(2) However, the legislature also finds that there is a need to assure quality in online learning, both for the programs and the administration of those programs. The legislature is the steward of public funds that support students enrolled in online learning and must ensure an appropriate accountability system at the state level.

(3) Therefore, the legislature intends to take a first step in improving oversight and quality assurance of online learning programs, and intends to examine possible additional steps that may need to be taken to improve financial accountability.

(4) The first step in improving quality assurance is to:

(a) Provide objective information to students, parents, and educators regarding available online learning opportunities, including program and course content, how to register for programs and courses, teacher qualifications, student-to-teacher ratios, prior course completion rates, and other evaluative information;

(b) Create an approval process for multidistrict online providers;

(c) Enhance statewide equity of student access to high quality online learning opportunities; and

(d) Require school district boards of directors to develop policies and procedures for student access to online learning opportunities.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Multidistrict online provider" means:

(i) A private or nonprofit organization that enters into a contract with a school district to provide online courses or programs to K-12 students from more than one school district;

(ii) A private or nonprofit organization that enters into contracts with multiple school districts to provide online courses or programs to K-12 students from those districts; or

(iii) Except as provided in (b) of this subsection, a school district that provides online courses or programs to students who reside outside the geographic boundaries of the school district.

(b) "Multidistrict online provider" does not include a school district online learning program in which fewer than ten percent of the students enrolled in the program are from other districts under the interdistrict student transfer provisions of RCW 28A.225.225. "Multidistrict online provider" also does not include regional online learning programs that are jointly developed and implemented by two or more school districts or an educational service district through an interdistrict cooperative program agreement that addresses, at minimum, how the districts share student full-time equivalency for state basic education funding purposes and how categorical education programs, including special education, are provided to eligible students.

(2)(a) "Online course" means a course that:

(i) Is delivered primarily electronically using the internet or other computer-based methods; and

(ii) Is taught by a teacher primarily from a remote location. Students enrolled in an online course may have access to the teacher synchronously, asynchronously, or both.

(b) "Online school program" means a school program that:

(i) Is delivered primarily electronically using the internet or other computer-based methods;

(ii) Is taught by a teacher primarily from a remote location. Students enrolled in an online program may have access to the teacher synchronously, asynchronously, or both;

(iii) Delivers a part-time or full-time sequential program; and

(iv) Has an online component of the program with online lessons and tools for student and data management.

(c) An online course or online school program may be delivered to students at school as part of the regularly scheduled school day. An online course or online school program also may be delivered to students, in whole or in part, independently from a regular classroom schedule, but such courses or programs must comply with RCW 28A.150.262 to qualify for state basic education funding.

NEW SECTION. Sec. 3. (1) The superintendent of public instruction, in collaboration with the state board of education, shall develop and implement approval criteria and a process for approving multidistrict online providers; a process for monitoring and if necessary rescinding the approval of courses or programs offered by an online course provider; and an appeals process. The criteria and processes shall be adopted by rule by December 1, 2009.

(2) When developing the approval criteria, the superintendent of public instruction shall require that providers offering online courses or programs have accreditation through the Northwest association of accredited schools or another national, regional, or state accreditation program listed by the office of the superintendent of public instruction after consultation with the Washington coalition for online learning. In addition to other criteria, the approval criteria shall include the degree of alignment with state academic standards and require that all teachers be certificated in accordance with Washington state law. When reviewing multidistrict online providers that offer high school courses, the

superintendent of public instruction shall assure that the courses offered by the provider are eligible for high school credit. However, final decisions regarding the awarding of high school credit shall remain the responsibility of school districts.

(3) Initial approval of multidistrict online providers by the superintendent of public instruction shall be for four years. The superintendent of public instruction shall develop a process for the renewal of approvals and for rescinding approvals based on noncompliance with approval requirements. Any multidistrict online provider that was approved by the digital learning commons or accredited by the Northwest association of accredited schools before the effective date of this section, and that meets the teacher certification requirements of subsection (2) of this section, is exempt from the initial approval process under this section until August 31, 2012, but must comply with the process for renewal of approvals and must comply with approval requirements.

(4) The superintendent of public instruction shall make the first round of decisions regarding approval of multidistrict online providers by April 1, 2010. Thereafter, the superintendent of public instruction shall make annual approval decisions no later than November 1st of each year.

(5) The superintendent of public instruction shall establish an online learning advisory committee within existing resources that shall provide advice to the superintendent regarding the approval criteria, major components of the web site, the model school district policy, model agreements, and other related matters. The committee shall include a representative of each of the following groups: Private and public online providers, parents of online students, accreditation organizations, educational service districts, school principals, teachers, school administrators, school board members, institutions of higher education, and other individuals as determined by the superintendent. Members of the advisory committee shall be selected by the superintendent based on nominations from statewide organizations, shall serve three-year terms, and may be reappointed. The superintendent shall select the chair of the committee.

NEW SECTION. Sec. 4. The superintendent of public instruction shall create an office of online learning. In the initial establishment of the office, the superintendent shall hire staff who have been employed by the digital learning commons to the extent such hiring is in accordance with state law and to the extent funds are available. The office shall:

(1) Develop and maintain a web site that provides objective information for students, parents, and educators regarding online learning opportunities offered by multidistrict online providers that have been approved in accordance with section 3 of this act. The web site shall include information regarding the online course provider's overall instructional program, specific information regarding the content of individual online courses and online school programs, a direct link to each online course provider's web site, how to register for online learning programs and courses, teacher qualifications, student-to-teacher ratios, course completion rates, and other evaluative and comparative information. The web site shall also provide information regarding the process and criteria for approving multidistrict online providers. To the greatest extent possible, the superintendent shall use the framework of the course offering component of the web site developed by the digital learning commons;

(2) Develop model agreements with approved multidistrict online providers that address standard contract terms and conditions that may apply to contracts between a school district and the approved provider. The purpose of the agreements is to provide a template to assist individual school districts, at the discretion of the district, in contracting with multidistrict online providers to offer the multidistrict online provider's courses and programs to students in the district. The agreements may address billing, fees, responsibilities of online course providers and school districts, and other issues; and

(3) In collaboration with the educational service districts:

(a) Provide technical assistance and support to school district personnel through the educational technology centers in the development and implementation of online learning programs in their districts; and

(b) To the extent funds are available, provide online learning tools for students, teachers, administrators, and other educators.

NEW SECTION. Sec. 5. The superintendent of public instruction shall:

(1) Develop model policies and procedures, in consultation with the Washington state school directors' association, that may be used by school district boards of directors in the development of the school district policies and procedures required in section 6 of this act. The model policies and procedures shall be disseminated to school districts by February 1, 2010;

(2) By December 1, 2009, modify the standards for school districts to report course information to the office of the superintendent of public instruction under RCW 28A.300.500 to designate if the course was an online course. The reporting standards shall be required beginning with the 2010-11 school year; and

(3) Beginning January 15, 2011, and annually thereafter, submit a report regarding online learning to the state board of education, the governor, and the legislature. The report shall cover the previous school year and include but not be limited to student demographics, course enrollment data, aggregated student course completion and passing rates, and activities and outcomes of course and provider approval reviews.

NEW SECTION. Sec. 6. (1) By August 31, 2010, all school district boards of directors shall develop policies and procedures regarding student access to online courses and online learning programs. The policies and procedures shall include but not be limited to: Student eligibility criteria; the types of online courses available to students through the school district; the methods districts will use to support student success, which may include a local advisor; when the school district will and will not pay course fees and other costs; the granting of high school credit; and a process for students and parents or guardians to formally acknowledge any course taken for which no credit is given. The policies and procedures shall take effect beginning with the 2010-11 school year. School districts shall submit their policies to the superintendent of public instruction by September 15, 2010. By December 1, 2010, the superintendent of public instruction shall summarize the school district policies regarding student access to online courses and submit a report to the legislature.

(2) School districts shall provide students with information regarding online courses that are available through the school district. The information shall include the types of information described in subsection (1) of this section.

(3) When developing local or regional online learning programs, school districts shall incorporate into the program design the approval criteria developed by the superintendent of public instruction under section 3 of this act.

NEW SECTION. Sec. 7. (1) Beginning with the 2011-12 school year, school districts may claim state basic education funding, to the extent otherwise allowed by state law, for students enrolled in online courses or programs only if the online courses or programs are:

(a) Offered by a multidistrict online provider approved under section 3 of this act by the superintendent of public instruction;

(b) Offered by a school district online learning program if the program serves students who reside within the geographic boundaries of the school district, including school district programs in which fewer than ten percent of the program's students reside outside the school district's geographic boundaries; or

(c) Offered by a regional online learning program where courses are jointly developed and offered by two or more school districts or an educational service district through an interdistrict cooperative program agreement.

(2) Criteria shall be established by the superintendent of public instruction to allow online courses that have not been approved by the superintendent of public instruction to be eligible for state funding if the course is in a subject matter in which no courses have been approved and, if it is a high school course, the course meets Washington high school graduation requirements.

NEW SECTION. Sec. 8. Nothing in this chapter is intended to diminish the rights of students to attend a nonresident school district in accordance with RCW 28A.225.220 through 28A.225.230 for the purposes of enrolling in online courses or programs.

Sec. 9. RCW 28A.150.262 and 2005 c 356 s 2 are each amended to read as follows:

Under RCW 28A.150.260, the superintendent of public instruction shall revise the definition of a full-time equivalent student to include students who receive instruction through ~~((digital programs. "Digital programs" means electronically delivered learning that occurs primarily away from the classroom))~~ alternative learning experience online programs. As used in this section, an "alternative learning experience online program" is a set of online courses or an online school program as defined in section 2 of this act that is delivered to students in whole or in part independently from a regular classroom schedule. The superintendent of public instruction has the authority to adopt rules to implement the revised definition beginning with the 2005-2007 biennium for school districts claiming state funding for the programs. The rules shall include but not be limited to the following:

(1) Defining a full-time equivalent student under RCW 28A.150.260 or part-time student under RCW 28A.150.350 based upon the district's estimated average weekly hours of learning activity as identified in the student's learning plan, as long as the student is found, through monthly evaluation, to be making satisfactory progress; the rules shall require districts providing programs under this section to nonresident students to establish procedures that address, at a minimum, the coordination of student counting for state funding so that no student is counted for more than one full-time equivalent in the aggregate;

(2) Requiring the board of directors of a school district offering, or contracting under RCW 28A.150.305 to offer, ~~((a-digital))~~ an alternative learning experience online program to adopt and annually review written policies for each program and program provider and to receive an annual report on its digital alternative learning experience online programs from its staff;

(3) Requiring each school district offering or contracting to offer ~~((a-digital))~~ an alternative learning experience online program to report annually to the superintendent of public instruction on the types of programs and course offerings, and number of students participating;

(4) Requiring completion of a program self-evaluation;

(5) Requiring documentation of the district of the student's physical residence;

(6) Requiring that supervision, monitoring, assessment, and evaluation of the ~~((digital))~~ alternative learning experience online program be provided by certificated instructional staff;

(7) Requiring each school district offering courses or programs to identify the ratio of certificated instructional staff to full-time equivalent students enrolled in such courses or programs, and to include a description of their ratio as part of the reports required under subsections (2) and (3) of this section;

(8) Requiring reliable methods to verify a student is doing his or her own work; the methods may include proctored examinations or projects, including the use of web cams or other technologies. "Proctored" means directly monitored by an adult authorized by the school district;

(9) Requiring, for each student receiving instruction in ~~((a-digital))~~ an alternative learning experience online program, a learning plan that includes a description of course objectives and information on the requirements a student must meet to successfully complete the program or courses. The rules shall allow course syllabi and other additional information to be used to meet the requirement for a learning plan;

(10) Requiring that the district assess the educational progress of enrolled students at least annually, using, for full-time students, the state assessment for the student's grade level and using any other annual assessments required by the school district. Part-time students shall also be assessed at least annually. However, part-time students who are either receiving home-based instruction under chapter 28A.200 RCW or who are enrolled in an approved private school under chapter 28A.195 RCW are not required to participate in the assessments required under chapter 28A.655 RCW. The rules shall address how students who reside outside the geographic service area of the school district are to be assessed;

(11) Requiring that each student enrolled in the program have direct personal contact with certificated instructional staff at least weekly until the student completes the course objectives or the requirements in the learning plan. Direct personal contact is for the purposes of instruction, review of assignments, testing, evaluation of student progress, or other learning activities. Direct personal contact may include the use of telephone, e-mail, instant messaging, interactive video communication, or other means of digital communication;

(12) Requiring state-funded public schools or public school programs whose primary purpose is to provide ~~((digital))~~ alternative learning experience online learning programs to receive accreditation through the ~~((state~~

~~accreditation program or through the regional accreditation program))~~ Northwest association of accredited schools or another national, regional, or state accreditation program listed by the office of the superintendent of public instruction after consultation with the Washington coalition for online learning;

(13) Requiring state-funded public schools or public school programs whose primary purpose is to provide ~~((digital))~~ alternative learning experience online learning to provide information to students and parents on whether or not the courses or programs: Cover one or more of the school district's learning goals or of the state's essential academic learning requirements or whether they permit the student to meet one or more of the state's or district's graduation requirements; and

(14) Requiring that a school district that provides one or more ~~((digital))~~ alternative learning experience online courses to a student provide the parent or guardian of the student, prior to the student's enrollment, with a description of any difference between home-based education as described in chapter 28A.200 RCW and the enrollment option selected by the student. The parent or guardian shall sign documentation attesting to his or her understanding of the difference and the documentation shall be retained by the district and made available for audit.

NEW SECTION. Sec. 10. (1) The office of the superintendent of public instruction shall conduct a review of online courses and programs offered to students during the 2008-09 school year to create a baseline of information about part-time, full-time, and interdistrict student enrollment; how courses and programs are offered and overseen; contract terms and funding arrangements; the fiscal impact on school district levy bases and levy equalization from interdistrict student enrollment; student-to-teacher ratios; course and program completion and success rates; student retention and dropout rates; and how issues such as student assessment, special education, and teacher certification are addressed.

(2) The office of the superintendent of public instruction shall also assess the level of funding provided for online course and program enrollment relative to the basic education general allocation, particularly for alternative learning experience programs. The assessment shall include but not be limited to a comparison of staffing ratios and costs, nonemployee-related costs, and facility requirements; and an analysis of the appropriate share of per-student allocations between resident districts and serving districts given the requirements for monthly progress reviews and direct personal contact.

(3) The office of the superintendent of public instruction shall submit a report to the education and fiscal committees of the legislature by December 1, 2009.

NEW SECTION. Sec. 11. Sections 1 through 8 of this act constitute a new chapter in Title 28A RCW.

NEW SECTION. Sec. 12. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2009, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 19, 2009.

Passed by the House April 16, 2009.

Approved by the Governor May 18, 2009.
Filed in Office of Secretary of State May 20, 2009.

CHAPTER 543

[Substitute House Bill 1292]

SCHOOL YEAR LENGTH—FLEXIBILITY

AN ACT Relating to waivers from the one hundred eighty-day school year; amending RCW 28A.655.180; adding a new section to chapter 28A.305 RCW; creating a new section; repealing RCW 28A.305.145; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature continues to support school districts seeking innovations to further the educational experiences of students and staff while also realizing increased efficiencies in day-to-day operations. School districts have suggested that efficiencies in heating, lighting, or maintenance expenses could be possible if districts were given the ability to create a more flexible calendar. Furthermore, the legislature finds that a flexible calendar could be beneficial to student learning by allowing for the use of the unscheduled days for professional development activities, planning, tutoring, special programs, parent conferences, and athletic events. A flexible calendar also has the potential to ease the burden of long commutes on students in rural areas and to lower absenteeism.

School districts in several western states have operated on a four-day school week and report increased efficiencies, family support, and reduced absenteeism, with no negative impact on student learning. Small rural school districts in particular could benefit due to their high per-pupil costs for transportation and utilities. Therefore, the legislature intends to provide increased flexibility to a limited number of school districts to explore the potential value of operating on a flexible calendar, so long as adequate safeguards are put in place to prevent any negative impact on student learning.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.305 RCW to read as follows:

(1) In addition to waivers authorized under RCW 28A.305.140 and 28A.655.180, the state board of education may grant waivers from the requirement for a one hundred eighty-day school year under RCW 28A.150.220 and 28A.150.250 to school districts that propose to operate one or more schools on a flexible calendar for purposes of economy and efficiency as provided in this section. The requirement under RCW 28A.150.220 that school districts offer an annual average instructional hour offering of at least one thousand hours shall not be waived.

(2) A school district seeking a waiver under this section must submit an application that includes:

(a) A proposed calendar for the school day and school year that demonstrates how the instructional hour requirement will be maintained;

(b) An explanation and estimate of the economies and efficiencies to be gained from compressing the instructional hours into fewer than one hundred eighty days;

(c) An explanation of how monetary savings from the proposal will be redirected to support student learning;

(d) A summary of comments received at one or more public hearings on the proposal and how concerns will be addressed;

(e) An explanation of the impact on students who rely upon free and reduced-price school child nutrition services and the impact on the ability of the child nutrition program to operate an economically independent program;

(f) An explanation of the impact on the ability to recruit and retain employees in education support positions;

(g) An explanation of the impact on students whose parents work during the missed school day; and

(h) Other information that the state board of education may request to assure that the proposed flexible calendar will not adversely affect student learning.

(3) The state board of education shall adopt criteria to evaluate waiver requests. No more than five districts may be granted waivers. Waivers may be granted for up to three years. After each school year, the state board of education shall analyze empirical evidence to determine whether the reduction is affecting student learning. If the state board of education determines that student learning is adversely affected, the school district shall discontinue the flexible calendar as soon as possible but not later than the beginning of the next school year after the determination has been made. All waivers expire August 31, 2014.

(a) Two of the five waivers granted under this subsection shall be granted to school districts with student populations of less than one hundred fifty students.

(b) Three of the five waivers granted under this subsection shall be granted to school districts with student populations of between one hundred fifty-one and five hundred students.

(4) The state board of education shall examine the waivers granted under this section and make a recommendation to the education committees of the legislature by December 15, 2013, regarding whether the waiver program should be continued, modified, or allowed to terminate. This recommendation should focus on whether the program resulted in improved student learning as demonstrated by empirical evidence. Such evidence includes, but is not limited to: Improved scores on the Washington assessment of student learning, results of the dynamic indicators of basic early literacy skills, student grades, and attendance.

(5) This section expires August 31, 2014.

Sec. 3. RCW 28A.655.180 and 1995 c 208 s 1 are each amended to read as follows:

(1) The state board of education, where appropriate, or the superintendent of public instruction, where appropriate, may grant waivers to districts from the provisions of statutes or rules relating to: The length of the school year; student-to-teacher ratios; and other administrative rules that in the opinion of the state board of education or the opinion of the superintendent of public instruction may need to be waived in order for a district to implement a plan for restructuring its educational program or the educational program of individual schools within the district.

(2) School districts may use the application process in RCW 28A.305.140 ~~((or 28A.300.138))~~ to apply for the waivers under ~~((subsection (1) of))~~ this section.

~~((3) The joint select committee on education restructuring shall study which waivers of state laws or rules are necessary for school districts to~~

~~implement education restructuring. The committee shall study whether the waivers are used to implement specific essential academic learning requirements and student learning goals. The committee shall study the availability of waivers under the schools for the twenty-first century program created by chapter 525, Laws of 1987, and the use of those waivers by schools participating in that program. The committee shall also study the use of waivers authorized under RCW 28A.305.140. The committee shall report its findings to the legislature by December 1, 1997.)~~

NEW SECTION. **Sec. 4.** RCW 28A.305.145 (Application process for waivers under RCW 28A.305.140) and 1993 c 336 s 302 are each repealed.

Passed by the House April 24, 2009.

Passed by the Senate April 22, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 544

[Engrossed Senate Bill 6158]

FAMILY LEAVE INSURANCE PROGRAM—IMPLEMENTATION

AN ACT Relating to delaying the implementation of the family leave insurance program; and amending RCW 49.86.030 and 49.86.210.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 49.86.030 and 2007 c 357 s 5 are each amended to read as follows:

Beginning October 1, ((2009)) 2012, family leave insurance benefits are payable to an individual during a period in which the individual is unable to perform his or her regular or customary work because he or she is on family leave if the individual:

(1) Files a claim for benefits in each week in which the individual is on family leave, and as required by rules adopted by the director;

(2) Has been employed for at least six hundred eighty hours in employment during the individual's qualifying year;

(3) Establishes an application year. An application year may not be established if the qualifying year includes hours worked before establishment of a previous application year;

(4) Consents to the disclosure of information or records deemed private and confidential under chapter 50.13 RCW. Initial disclosure of this information and these records by the employment security department to the department is solely for purposes related to the administration of this chapter. Further disclosure of this information or these records is subject to RCW 49.86.020(3);

(5) Discloses whether or not he or she owes child support obligations as defined in RCW 50.40.050; and

(6) Documents that he or she has provided the employer from whom family leave is to be taken with written notice of the individual's intention to take family leave in the same manner as an employee is required to provide notice in RCW 49.78.250.

Sec. 2. RCW 49.86.210 and 2007 c 357 s 26 are each amended to read as follows:

Beginning September 1, (~~(2010)~~) 2013, the department shall report to the legislature by September 1st of each year on projected and actual program participation, premium rates, fund balances, and outreach efforts.

Passed by the Senate April 25, 2009.

Passed by the House April 26, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 545

[Second Substitute Senate Bill 5945]

WASHINGTON HEALTH PARTNERSHIP PLAN

AN ACT Relating to creating the Washington health partnership plan; adding new sections to chapter 43.06 RCW; adding new sections to chapter 74.09 RCW; creating a new section; repealing RCW 43.20A.560 and 74.09.740; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the principles for health care reform articulated by the president of the United States in his proposed federal fiscal year 2010 budget to the congress of the United States provide an opportunity for the state of Washington to be both a partner with, and a model for, the federal government in its health care reform efforts. The legislature further finds that the recommendations of the 2007 blue ribbon commission on health care costs and access are consistent with these principles.

NEW SECTION. Sec. 2. (1) The following principles shall provide guidance to the state of Washington in its health care reform deliberations:

(a) Guarantee choice. Provide the people of Washington state with a choice of health plans and physicians, including health plans offered through the private insurance market and public programs, for those who meet eligibility standards. People will be allowed to keep their own doctor and their employer-based health plan.

(b) Make health coverage affordable. Reduce waste and fraud, high administrative costs, unnecessary tests and services, and other inefficiencies that drive up costs with no added health benefits.

(c) Protect families' financial health. Reduce the growing premiums and other costs that the people of Washington state pay for health care. People must be protected from bankruptcy due to catastrophic illness.

(d) Invest in prevention and wellness. Invest in public health measures proven to reduce cost drivers in our system, such as obesity, sedentary lifestyles, and smoking, as well as guarantee access to proven preventive treatments.

(e) Provide portability of coverage. People should not be locked into their job just to secure health coverage, and no American should be denied coverage because of preexisting conditions.

(f) Aim for universality. Building on the work of the blue ribbon commission and other state health care reform initiatives and recognizing the current economic climate, the state will partner with national health care reform efforts toward a goal of enabling all Washingtonians to have access to

affordable, effective health care by 2014 as economic conditions and national reforms indicate.

(g) Improve patient safety and quality care. Ensure the implementation of proven patient safety measures and provide incentives for changes in the delivery system to reduce unnecessary variability in patient care. Support the widespread use of health information technology with rigorous privacy protections and the development of data on the effectiveness of medical interventions to improve the quality of care delivered.

(h) Maintain long-term fiscal sustainability. Any reform plan must pay for itself by reducing the level of cost growth, improving productivity, dedicating additional sources of revenue, and defining the appropriate role of the private and public sectors in financing health care coverage in Washington state.

(2) Over the past twenty years, both the private and public health care sectors in the state of Washington have implemented policies that are consistent with the principles in subsection (1) of this section. Most recently, the governor's blue ribbon commission on health reform agreed to recommendations that are highly consistent with those principles. Current policies in Washington state in accord with those principles include:

(a) With respect to aiming for universality and access to a choice of affordable health care plans and health care providers:

(i) The Washington basic health plan offers affordable health coverage to low-income families and individuals in Washington state through a choice of private managed health care plans and health care providers;

(ii) Apple health for kids will achieve its dual goals that every child in Washington state have health care coverage by 2010 and that the health status of children in Washington state be improved. Only four percent of children in Washington state lack health insurance, due largely to efforts to expand coverage that began in 1993;

(iii) Through the health insurance partnership program, Washington state has designed the infrastructure for a health insurance exchange for small employers that would give employers and employees a choice of private health benefit plans and health care providers, offer portability of coverage and provide a mechanism to offer premium subsidies to low-wage employees of these employers;

(iv) Purchasers, insurance carriers, and health care providers are working together to significantly reduce health care administrative costs. These efforts have already produced efficiencies, and will continue through the activities provided in Second Substitute Senate Bill No. 5346, if enacted by the 2009 legislature; and

(v) Over one hundred thousand Washingtonians have enrolled in the state's discount prescription drug card program, saving consumers over six million dollars in prescription drug costs since February 2007, with an average discount of twenty-two dollars or forty-three percent of the price of each prescription filled.

(b) With respect to improving patient safety and quality of care and investing in prevention and wellness, the public and private health care sectors are engaged in numerous nationally recognized efforts:

(i) The Puget Sound health alliance is a national leader in identifying evidence-based health care practices, and reporting to the public on health care

provider performance with respect to these practices. Many of these practices address disease prevention and management of chronic illness;

(ii) The Washington state health technology assessment program and prescription drug program use medical evidence and independent clinical advisors to guide the purchasing of clinically and cost-effective health care services by state-purchased health care programs;

(iii) Washington state's health record bank pilot projects are testing a new model of patient controlled electronic health records in three geographic regions of the state. The state has also provided grants to a number of small provider practices to help them implement electronic health records;

(iv) Efforts are underway to ensure that the people of Washington state have a medical home, with primary care providers able to understand their needs, meet their care needs effectively, better manage their chronic illnesses, and coordinate their care across the health care system. These efforts include group health cooperative of Puget Sound's medical home projects, care collaboratives sponsored by the state department of health, state agency chronic care management pilot projects; development of apple health for kids health improvement measures as indicators of children having a medical home, and implementation of medical home reimbursement pilot projects under Substitute Senate Bill No. 5891, if enacted by the 2009 legislature; and

(v) Health care providers, purchasers, the state, and private quality improvement organizations are partnering to undertake numerous patient safety efforts, including hospital and ambulatory surgery center adverse events reporting, with root cause analysis to identify actions to be undertaken to prevent further adverse events; reporting of hospital acquired infections and undertaking efforts to reduce the rate of these infections; developing a surgical care outcomes assessment program that includes a presurgery checklist to reduce medical errors, and developing a patient decision aid pilot to more fully inform patients of the risks and benefits of treatment alternatives, decrease unnecessary procedures and variation in care, and provide increased legal protection to physicians whose patients use a patient decision aid to provide informed consent.

****NEW SECTION. Sec. 3. (1) Beginning October 1, 2009, the governor shall convene quarterly meetings of the Washington health partnership advisory group. The advisory group will review progress and provide input related to further actions that can be taken in both the public and private sectors to implement the principles stated in section 2 of this act and the findings of the governor's blue ribbon commission on health reform. The membership of the advisory group shall include:***

(a) Two members of the house of representatives and two members of the senate, representing the majority and minority caucuses of each body;

(b) The insurance commissioner;

(c) The secretary of the department of social and health services, the administrator of the health care authority, the director of the department of labor and industries, and the director of the office of financial management;

(d) Members of the forum, the Puget Sound health alliance, national federation of independent business, and the healthy Washington coalition, who will ensure that the perspectives of large and small employers, providers,

health carriers, labor organizations, and consumers are actively involved in the group.

(2) The advisory group shall monitor the status and outcomes of activities at the state level with respect to their impact on access to affordable health care, cost containment and quality of care including, but not limited to:

(a) The programs and efforts described in section 2(2) of this act;

(b) Medicaid waivers submitted under sections 4 and 5 of this act;

(c) Efforts to consolidate state health purchasing and streamline administration of the purchasing; and

(d) Reforms in the private health insurance market to provide individuals and employers with more affordable health insurance options.

(3) The advisory group shall monitor the progress of health care reform legislation at the federal level, with the goal of aligning state health care activities so that the state is poised to participate in federal health care reform. If federal legislation is enacted that offers states the opportunity to undertake health care reform demonstration efforts, the governor, with the advice of the group established under this section, should actively seek to participate as a demonstration site.

(4) In its deliberations, the advisory group shall consider recent reports that have analyzed various health care reform proposals in Washington state.

(5) Members of the advisory group shall not be reimbursed for travel and per diem related to activities of the advisory group.

(6) The advisory group expires June 30, 2010.

**Sec. 3 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 4. (1) The department shall submit a section 1115 demonstration waiver request to the federal department of health and human services to expand and revise the medical assistance program as codified in Title XIX of the federal social security act. The waiver request should be designed to ensure the broadest federal financial participation under Title XIX and XXI of the federal social security act. To the extent permitted under federal law, the waiver request should include the following components:

(a) Establishment of a single eligibility standard for low-income persons, including expansion of categorical eligibility to include childless adults. The department shall request that the single eligibility standard be phased in such that incremental steps are taken to cover additional low-income parents and individuals over time, with the goal of offering coverage to persons with household income at or below two hundred percent of the federal poverty level;

(b) Establishment of a single seamless application and eligibility determination system for all state low-income medical programs included in the waiver. Applications may be electronic and may include an electronic signature for verification and authentication. Eligibility determinations should maximize federal financing where possible;

(c) The delivery of all low-income coverage programs as a single program, with a common core benefit package that may be similar to the basic health benefit package or an alternative benefit package approved by the secretary of the federal department of health and human services, including the option of supplemental coverage for select categorical groups, such as children, and individuals who are aged, blind, and disabled;

(d) A program design to include creative and innovative approaches such as: Coverage for preventive services with incentives to use appropriate preventive care; enhanced medical home reimbursement and bundled payment methodologies; cost-sharing options; use of care management and care coordination programs to improve coordination of medical and behavioral health services; application of an innovative predictive risk model to better target care management services; and mandatory enrollment in managed care, as may be necessary;

(e) The ability to impose enrollment limits or benefit design changes for eligibility groups that were not eligible under the Title XIX state plan in effect on the date of submission of the waiver application;

(f) A premium assistance program whereby employers can participate in coverage options for employees and dependents of employees otherwise eligible under the waiver. The waiver should make every effort to maximize enrollment in employer-sponsored health insurance when it is cost-effective for the state to do so, and the purchase is consistent with the requirements of Titles XIX and XXI of the federal social security act. To the extent allowable under federal law, the department shall require enrollment in available employer-sponsored coverage as a condition of eligibility for coverage under the waiver; and

(g) The ability to share savings that might accrue to the federal medicare program, Title XVIII of the federal social security act, from improved care management for persons who are eligible for both medicare and medicaid. Through the waiver application process, the department shall determine whether the state could serve, directly or by contract, as a medicare special needs plan for persons eligible for both medicare and medicaid.

(2) The department shall hold ongoing stakeholder discussions as it is developing the waiver request, and provide opportunities for public review and comment as the request is being developed.

(3) The department and the health care authority shall identify statutory changes that may be necessary to ensure successful and timely implementation of the waiver request as submitted to the federal department of health and human services as the apple health program for adults.

(4) The legislature must authorize implementation of any waiver approved by the federal department of health and human services under this section.

NEW SECTION. Sec. 5. (1) The department shall continue to submit applications for the family planning waiver program.

(2) The department shall submit a request to the federal department of health and human services to amend the current family planning waiver program as follows:

(a) Provide coverage for sexually transmitted disease testing and treatment;

(b) Return to the eligibility standards used in 2005 including, but not limited to, citizenship determination based on declaration or matching with federal social security databases, insurance eligibility standards comparable to 2005, and confidential service availability for minors and survivors of domestic and sexual violence; and

(c) Within available funds, increase income eligibility to two hundred fifty percent of the federal poverty level, to correspond with income eligibility for publicly funded maternity care services.

NEW SECTION. **Sec. 6.** Sections 2 and 3 of this act are each added to chapter 43.06 RCW.

NEW SECTION. **Sec. 7.** Sections 4 and 5 of this act are each added to chapter 74.09 RCW.

NEW SECTION. **Sec. 8.** The following acts or parts of acts are each repealed:

(1) RCW 43.20A.560 (Development of options to expand health care options—Consideration of federal waivers and state plan amendments required) and 2007 c 259 s 23; and

(2) RCW 74.09.740 (Amendments to state plan—Federal approval required) and 2002 c 3 s 14.

Passed by the Senate April 21, 2009.

Passed by the House April 16, 2009.

Approved by the Governor May 18, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 3, Second Substitute Senate Bill 5945 entitled:

"AN ACT Relating to creating the Washington health partnership plan."

Section 3 creates the Washington health partnership advisory group and requires me to convene quarterly meetings of the group from October 2009 through June 2010. Creating in statute a new advisory group, even one of limited duration, is contrary to our recent effort to reduce the number of such groups across all of state government. I will emphasize to the relevant state agencies the importance of keeping all interested parties up to date on our state's health care reform efforts, and if appropriate will convene the type of meeting called for in this section without the need to create this group in statute.

With the exception of Section 3, Second Substitute Senate Bill 5945 is approved."

CHAPTER 546

[Substitute Senate Bill 6016]

STUDENTS WITH DYSLEXIA—TRAINING PROGRAM

AN ACT Relating to training for educators to identify students with dyslexia; adding a new section to chapter 28A.300 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** Dyslexia is a language-based learning disability that affects individuals throughout their lives. Washington state has a long-standing tradition of working to serve its students with dyslexia. Since 2005, the legislature has provided funding for five pilot projects to implement research-based, multisensory literacy intervention for students with dyslexia. Participating schools were required to have a three-tiered reading structure in place, provide professional development training to teachers, assess students, and collect and maintain data on student progress.

The legislature finds that the students receiving intervention support through the dyslexia pilot projects have made substantial and steady academic gains. The legislature intends to sustain this work and expand the implementation to a level of statewide support for students with dyslexia by

developing and providing information and training, including a handbook to continue to improve the skills of our students with dyslexia.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.300 RCW to read as follows:

(1) Within available resources, the office of the superintendent of public instruction, in consultation with the school districts that participated in the Lorraine Wojahn dyslexia pilot program, and with an international nonprofit organization dedicated to supporting efforts to provide appropriate identification of and instruction for individuals with dyslexia, shall:

(a) Develop an educator training program to enhance the reading, writing, and spelling skills of students with dyslexia. The training program must provide research-based, multisensory literacy intervention professional development in the areas of dyslexia and intervention implementation. The program shall be posted on the web site of the office of the superintendent of public instruction. The training program may be regionally delivered through the educational service districts. The educational service districts may seek assistance from the international nonprofit organization to deliver the training; and

(b) Develop a dyslexia handbook to be used as a reference for teachers and parents of students with dyslexia. The handbook shall be modeled after other state dyslexia handbooks, and shall include guidelines for school districts to follow as they identify and provide services for students with dyslexia. Additionally, the handbook shall provide school districts, and parents and guardians with information regarding the state's relevant statutes and their relation to federal special education laws. The handbook shall be posted on the web site of the office of the superintendent of public instruction.

(2) Beginning September 1, 2009, and annually thereafter, each educational service district shall report to the office of the superintendent of public instruction the number of individuals who participate in the training developed and offered by the educational service district. The office of the superintendent of public instruction shall report that information to the legislative education committees.

Passed by the Senate April 21, 2009.

Passed by the House April 13, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 547

[Engrossed Senate Bill 6137]

COMMON SCHOOLS FUND TRANSFERS—STUDENT ACHIEVEMENT PROGRAM

AN ACT Relating to common schools fund transfers during fiscal year 2009; amending 2008 c 329 s 516 (uncodified); and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. 2008 c 329 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION. (1) Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as required by this act. Subsequent

allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (2) of this section.

(2) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, ~~((2008))~~ 2009, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund and student achievement fund appropriations for fiscal year ~~((2008))~~ 2009 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; student achievement; and learning assistance programs.

(3) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

NEW SECTION. **Sec. 2.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 26, 2009.

Passed by the House April 26, 2009.

Approved by the Governor May 18, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 548

[Engrossed Substitute House Bill 2261]

EDUCATION, GENERALLY

AN ACT Relating to education; amending RCW 28A.150.200, 28A.150.210, 28A.150.220, 28A.150.250, 28A.150.260, 28A.150.315, 28A.150.390, 28A.150.380, 28A.230.090, 43.41.400, 28A.195.010, 28A.160.150, 28A.160.160, 28A.160.170, 28A.160.180, 28A.160.190, 28A.415.360, 28A.305.130, 28A.165.005, 28A.165.015, 28A.165.055, 28A.180.010, 28A.180.080, 28A.225.200, 28A.185.010, and 28A.185.020; adding new sections to chapter 28A.150 RCW; adding new sections to chapter 28A.300 RCW; adding a new section to chapter 28A.655 RCW; adding new sections to chapter 43.41 RCW; adding a new section to chapter 28A.500 RCW; adding new sections to chapter 28A.160 RCW; adding a new section to chapter 28A.410 RCW; adding a new section to chapter 28A.305 RCW; adding a new section to chapter 28A.185 RCW; adding a new chapter to Title 28A RCW; creating new sections; repealing RCW 28A.150.030, 28A.150.060, 28A.150.100, 28A.150.040, 28A.150.370, and 28A.155.180; providing effective dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** (1) Public education in Washington state has evolved since the enactment of the Washington basic education act of 1977. Decisions by the courts have played a part in this evolution, as have studies and research about education practices and education funding. The legislature finds ample evidence of a need for continuing to refine the program of basic education that is funded by the state and delivered by school districts.

(2) The legislature reaffirms the work of Washington Learns and other educational task forces that have been convened over the past four years and their recommendations to make bold reforms to the entire educational system in

order to educate all students to a higher level; to focus on the individualized instructional needs of students; to strive towards closing the achievement gap and reducing dropout rates; and to prepare students for a constantly evolving workforce and increasingly demanding global economy. In enacting this legislation, the legislature intends to continue to review, evaluate, and revise the definition and funding of basic education in order to continue to fulfill the state obligation under Article IX of the state Constitution. The legislature also intends to continue to strengthen and modify the structure of the entire K-12 educational system, including nonbasic education programmatic elements, in order to build the capacity to anticipate and support potential future enhancements to basic education as the educational needs of our citizens continue to evolve.

(3) The legislature recognizes that the first step in revising the definition and funding of basic education is to create a transparent funding system for both allocations and expenditures so that not only policymakers and educators understand how the state supports basic education but also taxpayers. An adequate data system that enables the legislature to make rational, data-driven decisions on which educational programs impact student learning in order to more effectively and efficiently deliver the resources necessary to provide an ample program of basic education is also a necessity. A new prototypical funding system will allow the legislature to better understand how current resources are being used. A more complete and accurate educational data system will allow the legislature to understand whether current basic education programs are supporting student learning. Only with both of these systems in place can the legislature make informed decisions on how to best implement a dynamic and evolving system of basic education.

(4) For practical and educational reasons, major changes of the program of basic education and the funding formulas to support it cannot occur instantaneously. The legislature intends to build upon the previous efforts of the legislature and the basic education task force in order to develop a realistic implementation strategy for a new instructional program after technical experts develop the details of the prototypical schools funding formulas and the data and reporting system that will support a new instructional program. The legislature also intends to establish a formal structure for monitoring the implementation by the legislature of an evolving program of basic education and the financing necessary to support such a program. The legislature intends that the redefined program of basic education and funding for the program be fully implemented by 2018.

(5) It is the further intent of the legislature to also address additional issues that are of importance to the legislature but are not part of basic education.

NEW SECTION. Sec. 2. It is the intent of the legislature that specified policies and allocation formulas adopted under this act will constitute the legislature's definition of basic education under Article IX of the state Constitution once fully implemented. The legislature intends, however, to continue to review and revise the formulas and schedules and may make additional revisions, including revisions for technical purposes and consistency in the event of mathematical or other technical errors.

PART I PROGRAM AND FUNDING OF BASIC EDUCATION

Sec. 101. RCW 28A.150.200 and 1990 c 33 s 104 are each amended to read as follows:

~~((This 1977 amendatory act shall be known and may be cited as "The Washington Basic Education Act of 1977." The program evolving from the Basic Education Act shall include (1) the goal of the school system as defined in RCW 28A.150.210, (2) those program requirements enumerated in RCW 28A.150.220, and (3) the determination and distribution of state resources as defined in RCW 28A.150.250 and 28A.150.260.~~

The requirements of the Basic Education Act are)) (1) The program of basic education established under this chapter is deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution, which states that "It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex," and ((are)) is adopted pursuant to Article IX, section 2 of the state Constitution, which states that "The legislature shall provide for a general and uniform system of public schools."

(2) The legislature defines the program of basic education under this chapter as that which is necessary to provide the opportunity to develop the knowledge and skills necessary to meet the state-established high school graduation requirements that are intended to allow students to have the opportunity to graduate with a meaningful diploma that prepares them for postsecondary education, gainful employment, and citizenship. Basic education by necessity is an evolving program of instruction intended to reflect the changing educational opportunities that are needed to equip students for their role as productive citizens and includes the following:

(a) The instructional program of basic education the minimum components of which are described in RCW 28A.150.220;

(b) The program of education provided by chapter 28A.190 RCW for students in residential schools as defined by RCW 28A.190.020 and for juveniles in detention facilities as identified by RCW 28A.190.010;

(c) The program of education provided by chapter 28A.193 RCW for individuals under the age of eighteen who are incarcerated in adult correctional facilities; and

(d) Transportation and transportation services to and from school for eligible students as provided under RCW 28A.160.150 through 28A.160.180.

NEW SECTION. Sec. 102. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Basic education goal" means the student learning goals and the student knowledge and skills described under RCW 28A.150.210.

(2) "Certificated administrative staff" means all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).

(3) "Certificated employee" as used in this chapter and RCW 28A.195.010, 28A.405.100, 28A.405.210, 28A.405.240, 28A.405.250, 28A.405.300 through 28A.405.380, and chapter 41.59 RCW, means those persons who hold

certificates as authorized by rule of the Washington professional educator standards board.

(4) "Certificated instructional staff" means those persons employed by a school district who are nonsupervisory certificated employees within the meaning of RCW 41.59.020(8).

(5) "Class size" means an instructional grouping of students where, on average, the ratio of students to teacher is the number specified.

(6) "Classified employee" means a person who does not hold a professional education certificate or is employed in a position that does not require such a certificate.

(7) "Classroom teacher" means a person who holds a professional education certificate and is employed in a position for which such certificate is required whose primary duty is the daily educational instruction of students. In exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision, but the hiring of such classified employees shall not occur during a labor dispute, and such classified employees shall not be hired to replace certificated employees during a labor dispute.

(8) "Instructional program of basic education" means the minimum program required to be provided by school districts and includes instructional hour requirements and other components under RCW 28A.150.220.

(9) "Program of basic education" means the overall program under RCW 28A.150.200 and deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(10) "School day" means each day of the school year on which pupils enrolled in the common schools of a school district are engaged in academic and career and technical instruction planned by and under the direction of the school.

(11) "School year" includes the minimum number of school days required under RCW 28A.150.220 and begins on the first day of September and ends with the last day of August, except that any school district may elect to commence the annual school term in the month of August of any calendar year and in such case the operation of a school district for such period in August shall be credited by the superintendent of public instruction to the succeeding school year for the purpose of the allocation and distribution of state funds for the support of such school district.

(12) "Teacher planning period" means a period of a school day as determined by the administration and board of the directors of the district that may be used by teachers for instruction-related activities including but not limited to preparing instructional materials; reviewing student performance; recording student data; consulting with other teachers, instructional assistants, mentors, instructional coaches, administrators, and parents; or participating in professional development.

Sec. 103. RCW 28A.150.210 and 2007 c 400 s 1 are each amended to read as follows:

~~((The goal of the basic education act for the schools of the state of Washington set forth in this chapter shall be))~~ A basic education is an evolving program of instruction that is intended to provide students with the opportunity to become responsible and respectful global citizens, to contribute to their economic well-being and that of their families and communities, to explore and

understand different perspectives, and to enjoy productive and satisfying lives. Additionally, the state of Washington intends to provide for a public school system that is able to evolve and adapt in order to better focus on strengthening the educational achievement of all students, which includes high expectations for all students and gives all students the opportunity to achieve personal and academic success. To these ends, the goals of each school district, with the involvement of parents and community members, shall be to provide opportunities for every student to develop the knowledge and skills essential to:

(1) Read with comprehension, write effectively, and communicate successfully in a variety of ways and settings and with a variety of audiences;

(2) Know and apply the core concepts and principles of mathematics; social, physical, and life sciences; civics and history, including different cultures and participation in representative government; geography; arts; and health and fitness;

(3) Think analytically, logically, and creatively, and to integrate different experiences and knowledge to form reasoned judgments and solve problems; and

(4) Understand the importance of work and finance and how performance, effort, and decisions directly affect future career and educational opportunities.

Sec. 104. RCW 28A.150.220 and 1993 c 371 s 2 are each amended to read as follows:

~~(1) ((Satisfaction of the basic education program requirements identified in RCW 28A.150.210 shall be considered to be implemented by the following program:~~

~~(a) Each school district shall make available to students enrolled in kindergarten at least a total instructional offering of four hundred fifty hours. The program shall include instruction in the essential academic learning requirements under RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such program;~~

~~(b)) In order for students to have the opportunity to develop the basic education knowledge and skills under RCW 28A.150.210, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, and citizenship. The program established under this section shall be the minimum instructional program of basic education offered by school districts.~~

~~(2) Each school district shall make available to students the following minimum instructional offering each school year:~~

~~(a) For students enrolled in grades one through twelve, at least a district-wide annual average ((total instructional hour offering)) of one thousand hours((- The state board of education may define alternatives to classroom instructional time for students in grades nine through twelve enrolled in alternative learning experiences. The state board of education shall establish rules to determine annual average instructional hours for districts including fewer than twelve grades. The program shall include the essential academic learning requirements under RCW 28A.630.885 and such other subjects and such activities as the school district shall determine to be appropriate for the education of the school district's students enrolled in such group)), which shall be increased to at least~~

one thousand eighty instructional hours for students enrolled in each of grades seven through twelve and at least one thousand instructional hours for students in each of grades one through six according to an implementation schedule adopted by the legislature; and

(b) For students enrolled in kindergarten, at least four hundred fifty instructional hours, which shall be increased to at least one thousand instructional hours according to the implementation schedule under RCW 28A.150.315.

(3) The instructional program of basic education provided by each school district shall include:

(a) Instruction in the essential academic learning requirements under RCW 28A.655.070;

(b) Instruction that provides students the opportunity to complete twenty-four credits for high school graduation, subject to a phased-in implementation of the twenty-four credits as established by the legislature. Course distribution requirements may be established by the state board of education under RCW 28A.230.090;

(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages;

(d) Supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(e) Supplemental instruction and services for eligible and enrolled students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(f) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020; and

(g) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030.

~~((2))~~ (4) Nothing contained in ~~((subsection (1) of))~~ this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.

~~((3))~~ (5) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten~~((: PROVIDED, That))~~, to be increased to a minimum of one hundred eighty school days per school year according to the implementation schedule under RCW 28A.150.315. However, effective May 1, 1979, a school district may schedule the last five school days of the one hundred and eighty day school year for noninstructional purposes in the case of students who are graduating from high school, including, but not limited to, the observance of graduation and early release from school upon the request of a student, and all such students may be claimed as a full-time equivalent student to the extent they could otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260.

~~((4))~~ (6) Nothing in this section precludes a school district from enriching the instructional program of basic education, such as offering additional instruction or providing additional services, programs, or activities that the school district determines to be appropriate for the education of the school district's students.

(7) The state board of education shall adopt rules to implement and ensure compliance with the program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such related supplemental program approval requirements as the state board may establish.

Sec. 105. RCW 28A.150.250 and 1990 c 33 s 107 are each amended to read as follows:

(1) From those funds made available by the legislature for the current use of the common schools, the superintendent of public instruction shall distribute annually as provided in RCW 28A.510.250 to each school district of the state operating a basic education instructional program approved by the state board of education an amount based on the formulas provided in RCW 28A.150.260, 28A.150.390, and section 109 of this act which, when combined with an appropriate portion of such locally available revenues, other than receipts from federal forest revenues distributed to school districts pursuant to RCW 28A.520.010 and 28A.520.020, as the superintendent of public instruction may deem appropriate for consideration in computing state equalization support, excluding excess property tax levies, will constitute a basic education allocation in dollars for each annual average full-time equivalent student enrolled ~~(, based upon one full school year of one hundred eighty days, except that for kindergartens one full school year shall be one hundred eighty half days of instruction, or the equivalent as provided in RCW 28A.150.220))~~.

(2) The instructional program of basic education shall be considered to be fully funded by those amounts of dollars appropriated by the legislature pursuant to RCW ((28A.150.250 and)) 28A.150.260, 28A.150.390, and section 109 of this act to fund those program requirements identified in RCW 28A.150.220 in accordance with the formula ((and ratios)) provided in RCW 28A.150.260 and those amounts of dollars appropriated by the legislature to fund the salary requirements of RCW ((28A.150.100 and)) 28A.150.410.

~~((Operation of a program approved by the state board of education, for the purposes of this section, shall include a finding that the ratio of students per classroom teacher in grades kindergarten through three is not greater than the ratio of students per classroom teacher in grades four and above for such district: PROVIDED, That for the purposes of this section, "classroom teacher" shall be defined as an instructional employee possessing at least a provisional certificate, but not necessarily employed as a certificated employee, whose primary duty is the daily educational instruction of students: PROVIDED FURTHER, That the state board of education shall adopt rules and regulations to insure compliance with the student/teacher ratio provisions of this section, and such rules and regulations shall allow for exemptions for those special programs and/or school districts which may be deemed unable to practicably meet the student/teacher ratio requirements of this section by virtue of a small number of students:))~~

(3) If a school district's basic education program fails to meet the basic education requirements enumerated in RCW ~~((28A.150.250,))~~ 28A.150.260~~((;))~~ and 28A.150.220, the state board of education shall require the superintendent of

public instruction to withhold state funds in whole or in part for the basic education allocation until program compliance is assured(~~(= PROVIDED, That))~~). However, the state board of education may waive this requirement in the event of substantial lack of classroom space.

Sec. 106. RCW 28A.150.260 and 2006 c 263 s 322 are each amended to read as follows:

~~((The basic education allocation for each annual average full time equivalent student shall be determined in accordance with the following procedures))~~ The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula ~~((based on a ratio of students to staff))~~ for the distribution of a basic education instructional allocation for each ~~((annual average full time equivalent student enrolled in a))~~ common school district. ~~((The distribution formula shall have the primary objective of equalizing educational opportunities and shall provide appropriate recognition of the following costs among the various districts within the state:~~

- ~~(a) Certificated instructional staff and their related costs;~~
- ~~(b) Certificated administrative staff and their related costs;~~
- ~~(c) Classified staff and their related costs;~~
- ~~(d) Nonsalary costs;~~

~~(e) Extraordinary costs, including school facilities, of remote and necessary schools as judged by the superintendent of public instruction, with recommendations from the school facilities citizen advisory panel under RCW 28A.525.025, and small high schools, including costs of additional certificated and classified staff; and~~

~~(f) The attendance of students pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the serving school district.))~~

~~(2)((a))~~ The distribution formula under this section shall be for allocation purposes only. Except as may be required under chapter 28A.165, 28A.180, or 28A.155 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(3)(a) To the extent the technical details of the formula have been adopted by the legislature, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class

size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual full-time equivalent students in grades kindergarten through six.

(c) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on an average class size as specified in the omnibus appropriations act. The omnibus appropriations act shall at a minimum specify:

(i) Basic average class size;

(ii) Basic average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals;

(iii) Average class size for exploratory and preparatory career and technical education, laboratory science, advanced placement, and international baccalaureate courses; and

(iv) Average class size in grades kindergarten through three.

(d) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

(i) Principals, including assistant principals, and other certificated building-level administrators;

(ii) Teacher librarians, performing functions including information literacy, technology, and media to support school library media programs;

(iii) Student health services, a function that includes school nurses, whether certificated instructional or classified employee, and social workers;

(iv) Guidance counselors, performing functions including parent outreach and graduation advisor;

(v) Professional development coaches;

(vi) Teaching assistance, which includes any aspect of educational instructional services provided by classified employees;

(vii) Office support, technology support, and other noninstructional aides;

(viii) Custodians, warehouse, maintenance, laborer, and professional and technical education support employees; and

(ix) Classified staff providing student and staff safety.

(4)(a) The minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following

materials, supplies, and operating costs; Student technology; utilities; curriculum, textbooks, library materials, and instructional supplies; instructional professional development for both certificated and classified staff; other building-level costs including maintenance, custodial, and security; and central office administration.

(b) The annual average full-time equivalent student amounts in (a) of this subsection shall be enhanced based on full-time equivalent student enrollment in exploratory career and technical education courses for students in grades seven through twelve; laboratory science courses for students in grades nine through twelve; preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(5) The allocations provided under subsections (3) and (4) of this section shall be enhanced as follows to provide additional allocations for classroom teachers and maintenance, supplies, and operating costs:

(a) To provide supplemental instruction and services for underachieving students through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the percent of students in each school who are eligible for free and reduced-price meals. The minimum allocation for the learning assistance program shall provide an extended school day and extended school year for each level of prototypical school and a per student allocation for maintenance, supplies, and operating costs.

(b) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide for supplemental instruction based on percent of the school day a student is assumed to receive supplemental instruction and a per student allocation for maintenance, supplies, and operating costs.

(6) The allocations provided under subsections (3) and (4) of this section shall be enhanced to provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, based on two and three hundred fourteen one-thousandths percent of each school district's full-time equivalent enrollment. The minimum allocation for the programs shall provide an extended school day and extended school year for each level of prototypical school and a per student allocation for maintenance, supplies, and operating costs.

(7) The allocations under subsections (3)(b), (c)(i), and (d), (4), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(8) The distribution formula shall include allocations to school districts to support certificated and classified staffing of central office administration. The minimum allocation shall be calculated as a percentage, identified in the omnibus appropriations act, of the total allocations for staff under subsections (3) and (6) of this section for all schools in the district.

(9)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (3) and (5) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (3) and (4) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(10)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature. ((The formula shall be for allocation purposes only. While the legislature intends that the allocations for additional instructional staff be used to increase the ratio of such staff to students, nothing in this section shall require districts to reduce the number of administrative staff below existing levels.

(b) The formula adopted by the legislature shall reflect the following ratios at a minimum: (i) Forty nine certificated instructional staff to one thousand annual average full time equivalent students enrolled in grades kindergarten through three; (ii) forty six certificated instructional staff to one thousand annual average full time equivalent students in grades four through twelve; (iii) four certificated administrative staff to one thousand annual average full time equivalent students in grades kindergarten through twelve; and (iv) sixteen and sixty seven one hundredths classified personnel to one thousand annual average full time equivalent students enrolled in grades kindergarten through twelve.

((e)) (b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect((= PROVIDED, That the distribution formula developed pursuant to this section shall be for state apportionment and equalization purposes only and shall not be construed as mandating specific operational functions of local school districts other than those program requirements identified in RCW 28A.150.220 and 28A.150.100)).

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month ((and shall exclude full time equivalent students with disabilities recognized for the purposes of allocation of state funds for programs under RCW 28A.155.010 through 28A.155.100)), including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction((= PROVIDED, That the definition)) and shall be included as part of the superintendent's biennial budget request((= PROVIDED, FURTHER, That)). The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ((appropriations)) ways and means committee and the senate ways and means committee((= PROVIDED, FURTHER, That)).

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

~~((3)(a) Certificated instructional staff shall include those persons employed by a school district who are nonsupervisory employees within the meaning of RCW 41.59.020(8): PROVIDED, That in exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision: PROVIDED, FURTHER, That the hiring of such classified people shall not occur during a labor dispute and such classified people shall not be hired to replace certificated employees during a labor dispute.~~

~~(b) Certificated administrative staff shall include all those persons who are chief executive officers, chief administrative officers, confidential employees, supervisors, principals, or assistant principals within the meaning of RCW 41.59.020(4).)~~

Sec. 107. RCW 28A.150.315 and 2007 c 400 s 2 are each amended to read as follows:

(1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

- (a) Provide at least a one thousand-hour instructional program;
- (b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:
 - (i) Developing initial skills in the academic areas of reading, mathematics, and writing;
 - (ii) Developing a variety of communication skills;
 - (iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;
 - (iv) Acquiring large and small motor skills;
 - (v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and
 - (vi) Learning through hands-on experiences;
- (c) Establish learning environments that are developmentally appropriate and promote creativity;
- (d) Demonstrate strong connections and communication with early learning community providers; and
- (e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall

serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

~~((3) Any funds allocated to support all day kindergarten programs under this section shall not be considered as basic education funding.))~~

Sec. 108. RCW 28A.150.390 and 1995 c 77 s 6 are each amended to read as follows:

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW ~~((28A.150.250,))~~ 28A.150.260~~((;))~~ (3) (b), (c)(i), and (d), (4), and (8) and federal medical assistance and private funds accruing under RCW 74.09.5249 through 74.09.5253 and 74.09.5254 through 74.09.5256~~((, and other state and local funds, excluding special excess levies))~~.

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by 0.9309.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (3) (b), (c)(i), and (d), (4), and (8), to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or twelve and seven-tenths percent.

NEW SECTION. Sec. 109. (1) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for special education-eligible students and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (b) and (c) of this subsection shall not exceed the total of a district's specific determination of need.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (1)(c) shall be adjusted to reflect amounts awarded under (b) of this subsection.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(f) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(2) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that

there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

(3) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(4) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

Sec. 110. RCW 28A.150.380 and 2001 c 3 s 10 are each amended to read as follows:

(1) The state legislature shall, at each regular session in an odd-numbered year, appropriate ~~((from the state general fund))~~ for the current use of the common schools such amounts as needed for state support to ~~((the common schools))~~ school districts during the ensuing biennium ~~((as provided in this chapter, RCW 28A.160.150 through 28A.160.210, 28A.300.170, and 28A.500.010))~~ for the program of basic education under RCW 28A.150.200.

(2) In addition to those state funds provided to school districts for basic education, the legislature may appropriate funds to be distributed to school districts for other factors and for other special programs to enhance or enrich the program of basic education.

(3) The state legislature shall also, at each regular session in an odd-numbered year, appropriate from the student achievement fund and education construction fund solely for the purposes of and in accordance with the provisions of the student achievement act during the ensuing biennium.

Sec. 111. RCW 28A.230.090 and 2006 c 114 s 3 are each amended to read as follows:

(1) The state board of education shall establish high school graduation requirements or equivalencies for students, except those equivalencies established by local high schools or school districts under RCW 28A.230.097.

(a) Any course in Washington state history and government used to fulfill high school graduation requirements shall consider including information on the culture, history, and government of the American Indian peoples who were the first inhabitants of the state.

(b) The certificate of academic achievement requirements under RCW 28A.655.061 or the certificate of individual achievement requirements under RCW 28A.155.045 are required for graduation from a public high school but are not the only requirements for graduation.

(c) Any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level.

(2)(a) In recognition of the statutory authority of the state board of education to establish and enforce minimum high school graduation requirements, the state board shall periodically reevaluate the graduation requirements and shall report such findings to the legislature in a timely manner as determined by the state board.

(b) The state board shall reevaluate the graduation requirements for students enrolled in vocationally intensive and rigorous career and technical education programs, particularly those programs that lead to a certificate or credential that is state or nationally recognized. The purpose of the evaluation is to ensure that students enrolled in these programs have sufficient opportunity to earn a certificate of academic achievement, complete the program and earn the program's certificate or credential, and complete other state and local graduation requirements. ~~((The board shall reports [report] its findings and recommendations for additional flexibility in graduation requirements, if necessary, to the legislature by December 1, 2007.))~~

(c) The state board shall forward any proposed changes to the high school graduation requirements to the education committees of the legislature for review and to the quality education council established under section 114 of this act. The legislature shall have the opportunity to act during a regular legislative session before the changes are adopted through administrative rule by the state board. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized and funded by the legislature through the omnibus appropriations act or other enacted legislation.

(3) Pursuant to any requirement for instruction in languages other than English established by the state board of education or a local school district, or both, for purposes of high school graduation, students who receive instruction in American sign language or one or more American Indian languages shall be considered to have satisfied the state or local school district graduation requirement for instruction in one or more languages other than English.

(4) If requested by the student and his or her family, a student who has completed high school courses before attending high school shall be given high school credit which shall be applied to fulfilling high school graduation requirements if:

(a) The course was taken with high school students, if the academic level of the course exceeds the requirements for seventh and eighth grade classes, and the student has successfully passed by completing the same course requirements and examinations as the high school students enrolled in the class; or

(b) The academic level of the course exceeds the requirements for seventh and eighth grade classes and the course would qualify for high school credit, because the course is similar or equivalent to a course offered at a high school in the district as determined by the school district board of directors.

(5) Students who have taken and successfully completed high school courses under the circumstances in subsection (4) of this section shall not be required to take an additional competency examination or perform any other additional assignment to receive credit.

(6) At the college or university level, five quarter or three semester hours equals one high school credit.

NEW SECTION. Sec. 112. (1) The legislature intends to continue to redefine the instructional program of education under RCW 28A.150.220 that fulfills the obligations and requirements of Article IX of the state Constitution. The funding formulas under RCW 28A.150.260 to support the instructional program shall be implemented to the extent the technical details of the formula have been established and according to an implementation schedule to be adopted by the legislature. The object of the schedule is to assure that any increases in funding allocations are timely, predictable, and occur concurrently with any increases in program or instructional requirements. It is the intent of the legislature that no increased programmatic or instructional expectations be imposed upon schools or school districts without an accompanying increase in resources as necessary to support those increased expectations.

(2) The office of financial management, with assistance and support from the office of the superintendent of public instruction, shall convene a technical working group to:

(a) Develop the details of the funding formulas under RCW 28A.150.260;

(b) Recommend to the legislature an implementation schedule for phasing-in any increased program or instructional requirements concurrently with increases in funding for adoption by the legislature; and

(c) Examine possible sources of revenue to support increases in funding allocations and present options to the legislature and the quality education council created in section 114 of this act for consideration.

(3) The working group shall include representatives of the legislative evaluation and accountability program committee, school district and educational service district financial managers, the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the association of Washington school principals, the Washington state school directors' association, the public school employees of Washington, and other interested stakeholders with expertise in education finance. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(4) The working group shall be monitored and overseen by the legislature and the quality education council established in section 114 of this act. The working group shall submit its recommendations to the legislature by December 1, 2009.

NEW SECTION. Sec. 113. A new section is added to chapter 28A.300 RCW to read as follows:

(1) As part of the estimates and information submitted to the governor by the superintendent of public instruction under RCW 28A.300.170, the superintendent of public instruction shall biennially make determinations on the educational system's capacity to accommodate increased resources in relation to the elements in the prototypical funding allocation model. In areas where there are specific and significant capacity limitations to providing enhancements to a recommended element, the superintendent of public instruction shall identify those limitations and make recommendations on how to address the issue.

(2) The legislature shall:

(a) Review the recommendations of the superintendent of public instruction submitted under subsection (1) of this section; and

(b) Use the information as it continues to review, evaluate, and revise the definition and funding of basic education in a manner that serves the educational needs of the citizen's of Washington; continues to fulfill the state's obligation under Article IX of the state Constitution and ensures that no enhancements are imposed on the educational system that cannot be accommodated by the existing system capacity.

(3) "System capacity" for purposes of this section includes, but is not limited to, the ability of schools and districts to provide the capital facilities necessary to support a particular instructional program, the staffing levels necessary to support an instructional program both in terms of actual numbers of staff as well as the experience level and types of staff available to fill positions, the higher education systems capacity to prepare the next generation of educators, and the availability of data and a data system capable of helping the state allocate its resources in a manner consistent with evidence-based practices that are shown to improve student learning.

(4) The office of the superintendent of public instruction shall report to the legislature on a biennial basis beginning December 1, 2010.

NEW SECTION. Sec. 114. (1) The quality education council is created to recommend and inform the ongoing implementation by the legislature of an evolving program of basic education and the financing necessary to support such program. The council shall develop strategic recommendations on the program of basic education for the common schools. The council shall take into consideration the capacity report produced under section 113 of this act and the availability of data and progress of implementing the data systems required under section 202 of this act. Any recommendations for modifications to the program of basic education shall be based on evidence that the programs effectively support student learning. The council shall update the statewide strategic recommendations every four years. The recommendations of the council are intended to:

(a) Inform future educational policy and funding decisions of the legislature and governor;

(b) Identify measurable goals and priorities for the educational system in Washington state for a ten-year time period, including the goals of basic education and ongoing strategies for coordinating statewide efforts to eliminate the achievement gap and reduce student dropout rates; and

(c) Enable the state of Washington to continue to implement an evolving program of basic education.

(2) The council may request updates and progress reports from the office of the superintendent of public instruction, the state board of education, the professional educator standards board, and the department of early learning on the work of the agencies as well as educational working groups established by the legislature.

(3) The chair of the council shall be selected from the councilmembers. The council shall be composed of the following members:

(a) Four members of the house of representatives, with two members representing each of the major caucuses and appointed by the speaker of the house of representatives;

(b) Four members of the senate, with two members representing each of the major caucuses and appointed by the president of the senate; and

(c) One representative each from the office of the governor, office of the superintendent of public instruction, state board of education, professional educator standards board, and department of early learning.

(4) In the 2009 fiscal year, the council shall meet as often as necessary as determined by the chair. In subsequent years, the council shall meet no more than four times a year.

(5)(a) The council shall submit an initial report to the governor and the legislature by January 1, 2010, detailing its recommendations, including recommendations for resolving issues or decisions requiring legislative action during the 2010 legislative session, and recommendations for any funding necessary to continue development and implementation of chapter . . . , Laws of 2009 (this act).

(b) The initial report shall, at a minimum, include:

(i) Consideration of how to establish a statewide beginning teacher mentoring and support system;

(ii) Recommendations for a program of early learning for at-risk children;

(iii) A recommended schedule for the concurrent phase-in of the changes to the instructional program of basic education and the implementation of the funding formulas and allocations to support the new instructional program of basic education as established under chapter . . . , Laws of 2009 (this act). The phase-in schedule shall have full implementation completed by September 1, 2018; and

(iv) A recommended schedule for phased-in implementation of the new distribution formula for allocating state funds to school districts for the transportation of students to and from school, with phase-in beginning no later than September 1, 2013.

(6) The council shall be staffed by the office of the superintendent of public instruction and the office of financial management. Additional staff support shall be provided by the state entities with representatives on the committee. Senate committee services and the house of representatives office of program research may provide additional staff support.

(7) Legislative members of the council shall serve without additional compensation but may be reimbursed for travel expenses in accordance with RCW 44.04.120 while attending sessions of the council or on official business authorized by the council. Nonlegislative members of the council may be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

****NEW SECTION. Sec. 115. (1) The legislature finds that a critical factor in the eventual successful outcome of a K-12 education is for students to begin school ready, both intellectually and socially, to learn. The legislature also finds that, due to a variety of factors, disadvantaged young children need supplemental instruction in preschool to assure that they have the opportunity to meaningfully participate and reach the necessary levels of achievement in the regular program of basic education. Therefore the legislature intends to***

establish a program of early learning for at-risk children and intends to include this program within the overall program of basic education.

(2) The office of the superintendent of public instruction, with the support and assistance from the department of early learning, shall convene a working group to develop the basic education program of early learning. The early learning working group shall be composed of representatives from head start and early childhood education and assistance program providers, school districts, thrive by five Washington, and other stakeholders with expertise in early learning. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(3) The early learning working group shall continue the preliminary work of the department of early learning under RCW 43.215.125 to develop a proposal for a statewide Washington head start program. The working group shall:

(a) Recommend student eligibility criteria that focus on children age three and four considered most at-risk;

(b) Develop options for a service delivery system that includes school districts, educational service districts, community and technical colleges, and public and private nonsectarian organizations;

(c) Develop options for shared governance that include the superintendent of public instruction and the department of early learning each with appropriate supervisory and administrative responsibilities;

(d) Develop recommended parameters and minimum standards for the program; and

(e) Continue development of a statewide kindergarten assessment process.

(4) The early learning working group shall be monitored and overseen by the quality education council established in section 114 of this act and shall submit progress reports to the council by September 1, 2010, and September 1, 2011, with a final report by September 1, 2012.

**Sec. 115 was vetoed. See message at end of chapter.*

PART II EDUCATION DATA IMPROVEMENT SYSTEM

Sec. 201. RCW 43.41.400 and 2007 c 401 s 3 are each amended to read as follows:

(1) An education data center shall be established in the office of financial management. The education data center shall jointly, with the legislative ~~((education-[evaluation]))~~ evaluation and accountability program committee, conduct collaborative analyses of early learning, K-12, and higher education programs and education issues across the P-20 system, which includes the department of early learning, the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the workforce training and education coordinating board, the higher education coordinating board, public and private nonprofit four-year institutions of higher education, and the employment security department. The education data center shall conduct collaborative analyses under this section with the legislative evaluation and

accountability program committee and provide data electronically to the legislative evaluation and accountability program committee, to the extent permitted by state and federal confidentiality requirements. The education data center shall be considered an authorized representative of the state educational agencies in this section under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.

(2) The education data center shall:

(a) In consultation with the legislative evaluation and accountability program committee and the agencies and organizations participating in the education data center, identify the critical research and policy questions that are intended to be addressed by the education data center and the data needed to address the questions;

(b) Coordinate with other state education agencies to compile and analyze education data, including data on student demographics that is disaggregated by distinct ethnic categories within racial subgroups, and complete P-20 research projects;

~~((b))~~ (c) Collaborate with the legislative evaluation and accountability program committee and the education and fiscal committees of the legislature in identifying the data to be compiled and analyzed to ensure that legislative interests are served;

~~((e))~~ (d) Annually provide to the K-12 data governance group a list of data elements and data quality improvements that are necessary to answer the research and policy questions identified by the education data center and have been identified by the legislative committees in (c) of this subsection. Within three months of receiving the list, the K-12 data governance group shall develop and transmit to the education data center a feasibility analysis of obtaining or improving the data, including the steps required, estimated time frame, and the financial and other resources that would be required. Based on the analysis, the education data center shall submit, if necessary, a recommendation to the legislature regarding any statutory changes or resources that would be needed to collect or improve the data;

(e) Monitor and evaluate the education data collection systems of the organizations and agencies represented in the education data center ensuring that data systems are flexible, able to adapt to evolving needs for information, and to the extent feasible and necessary, include data that are needed to conduct the analyses and provide answers to the research and policy questions identified in (a) of this subsection;

(f) Track enrollment and outcomes through the public centralized higher education enrollment system;

~~((d))~~ (g) Assist other state educational agencies' collaborative efforts to develop a long-range enrollment plan for higher education including estimates to meet demographic and workforce needs; ~~((and~~

~~((e))~~ (h) Provide research that focuses on student transitions within and among the early learning, K-12, and higher education sectors in the P-20 system; and

(i) Make recommendations to the legislature as necessary to help ensure the goals and objectives of this section and sections 202 and 203 of this act are met.

(3) The department of early learning, superintendent of public instruction, professional educator standards board, state board of education, state board for

community and technical colleges, workforce training and education coordinating board, higher education coordinating board, public four-year institutions of higher education, and employment security department shall work with the education data center to develop data-sharing and research agreements, consistent with applicable security and confidentiality requirements, to facilitate the work of the center. Private, nonprofit institutions of higher education that provide programs of education beyond the high school level leading at least to the baccalaureate degree and are accredited by the Northwest association of schools and colleges or their peer accreditation bodies may also develop data-sharing and research agreements with the education data center, consistent with applicable security and confidentiality requirements. The education data center shall make data from collaborative analyses available to the education agencies and institutions that contribute data to the education data center to the extent allowed by federal and state security and confidentiality requirements applicable to the data of each contributing agency or institution.

NEW SECTION. Sec. 202. A new section is added to chapter 28A.655 RCW to read as follows:

(1) It is the legislature's intent to establish a comprehensive K-12 education data improvement system for financial, student, and educator data. The objective of the system is to monitor student progress, have information on the quality of the educator workforce, monitor and analyze the costs of programs, provide for financial integrity and accountability, and have the capability to link across these various data components by student, by class, by teacher, by school, by district, and statewide. Education data systems must be flexible and able to adapt to evolving needs for information, but there must be an objective and orderly data governance process for determining when changes are needed and how to implement them. It is the further intent of the legislature to provide independent review and evaluation of a comprehensive K-12 education data improvement system by assigning the review and monitoring responsibilities to the education data center and the legislative evaluation and accountability program committee.

(2) It is the intent that the data system specifically service reporting requirements for teachers, parents, superintendents, school boards, the legislature, the office of the superintendent of public instruction, and the public.

(3) It is the legislature's intent that the K-12 education data improvement system used by school districts and the state include but not be limited to the following information and functionality:

(a) Comprehensive educator information, including grade level and courses taught, building or location, program, job assignment, years of experience, the institution of higher education from which the educator obtained his or her degree, compensation, class size, mobility of class population, socioeconomic data of class, number of languages and which languages are spoken by students, general resources available for curriculum and other classroom needs, and number and type of instructional support staff in the building;

(b) The capacity to link educator assignment information with educator certification information such as certification number, type of certification, route to certification, certification program, and certification assessment or evaluation scores;

(c) Common coding of secondary courses and major areas of study at the elementary level or standard coding of course content;

(d) Robust student information, including but not limited to student characteristics, course and program enrollment, performance on statewide and district summative and formative assessments to the extent district assessments are used, and performance on college readiness tests;

(e) A subset of student information elements to serve as a dropout early warning system;

(f) The capacity to link educator information with student information;

(g) A common, standardized structure for reporting the costs of programs at the school and district level with a focus on the cost of services delivered to students;

(h) Separate accounting of state, federal, and local revenues and costs;

(i) Information linking state funding formulas to school district budgeting and accounting, including procedures:

(i) To support the accuracy and auditing of financial data; and

(ii) Using the prototypical school model for school district financial accounting reporting;

(j) The capacity to link program cost information with student performance information to gauge the cost-effectiveness of programs;

(k) Information that is centrally accessible and updated regularly; and

(l) An anonymous, nonidentifiable replicated copy of data that is updated at least quarterly, and made available to the public by the state.

(4) It is the legislature's goal that all school districts have the capability to collect state-identified common data and export it in a standard format to support a statewide K-12 education data improvement system under this section.

(5) It is the legislature's intent that the K-12 education data improvement system be developed to provide the capability to make reports as required under section 203 of this act available.

(6) It is the legislature's intent that school districts collect and report new data elements to satisfy the requirements of RCW 43.41.400, this section, and section 203 of this act, only to the extent funds are available for this purpose.

NEW SECTION. Sec. 203. A new section is added to chapter 28A.300 RCW to read as follows:

(1) A K-12 data governance group shall be established within the office of the superintendent of public instruction to assist in the design and implementation of a K-12 education data improvement system for financial, student, and educator data. It is the intent that the data system reporting specifically serve requirements for teachers, parents, superintendents, school boards, the office of the superintendent of public instruction, the legislature, and the public.

(2) The K-12 data governance group shall include representatives of the education data center, the office of the superintendent of public instruction, the legislative evaluation and accountability program committee, the professional educator standards board, the state board of education, and school district staff, including information technology staff. Additional entities with expertise in education data may be included in the K-12 data governance group.

(3) The K-12 data governance group shall:

(a) Identify the critical research and policy questions that need to be addressed by the K-12 education data improvement system;

(b) Identify reports and other information that should be made available on the internet in addition to the reports identified in subsection (5) of this section;

(c) Create a comprehensive needs requirement document detailing the specific information and technical capacity needed by school districts and the state to meet the legislature's expectations for a comprehensive K-12 education data improvement system as described under section 202 of this act;

(d) Conduct a gap analysis of current and planned information compared to the needs requirement document, including an analysis of the strengths and limitations of an education data system and programs currently used by school districts and the state, and specifically the gap analysis must look at the extent to which the existing data can be transformed into canonical form and where existing software can be used to meet the needs requirement document;

(e) Focus on financial and cost data necessary to support the new K-12 financial models and funding formulas, including any necessary changes to school district budgeting and accounting, and on assuring the capacity to link data across financial, student, and educator systems; and

(f) Define the operating rules and governance structure for K-12 data collections, ensuring that data systems are flexible and able to adapt to evolving needs for information, within an objective and orderly data governance process for determining when changes are needed and how to implement them. Strong consideration must be made to the current practice and cost of migration to new requirements. The operating rules should delineate the coordination, delegation, and escalation authority for data collection issues, business rules, and performance goals for each K-12 data collection system, including:

(i) Defining and maintaining standards for privacy and confidentiality;

(ii) Setting data collection priorities;

(iii) Defining and updating a standard data dictionary;

(iv) Ensuring data compliance with the data dictionary;

(v) Ensuring data accuracy; and

(vi) Establishing minimum standards for school, student, financial, and teacher data systems. Data elements may be specified "to the extent feasible" or "to the extent available" to collect more and better data sets from districts with more flexible software. Nothing in RCW 43.41.400, this section, or section 202 of this act should be construed to require that a data dictionary or reporting should be hobbled to the lowest common set. The work of the K-12 data governance group must specify which data are desirable. Districts that can meet these requirements shall report the desirable data. Funding from the legislature must establish which subset data are absolutely required.

(4)(a) The K-12 data governance group shall provide updates on its work as requested by the education data center and the legislative evaluation and accountability program committee.

(b) The work of the K-12 data governance group shall be periodically reviewed and monitored by the educational data center and the legislative evaluation and accountability program committee.

(5) To the extent data is available, the office of the superintendent of public instruction shall make the following minimum reports available on the internet.

The reports must either be run on demand against current data, or, if a static report, must have been run against the most recent data:

(a) The percentage of data compliance and data accuracy by school district;
(b) The magnitude of spending per student, by student estimated by the following algorithm and reported as the detailed summation of the following components:

(i) An approximate, prorated fraction of each teacher or human resource element that directly serves the student. Each human resource element must be listed or accessible through online tunneling in the report;

(ii) An approximate, prorated fraction of classroom or building costs used by the student;

(iii) An approximate, prorated fraction of transportation costs used by the student; and

(iv) An approximate, prorated fraction of all other resources within the district. District-wide components should be disaggregated to the extent that it is sensible and economical;

(c) The cost of K-12 basic education, per student, by student, by school district, estimated by the algorithm in (b) of this subsection, and reported in the same manner as required in (b) of this subsection;

(d) The cost of K-12 special education services per student, by student receiving those services, by school district, estimated by the algorithm in (b) of this subsection, and reported in the same manner as required in (b) of this subsection;

(e) Improvement on the statewide assessments computed as both a percentage change and absolute change on a scale score metric by district, by school, and by teacher that can also be filtered by a student's length of full-time enrollment within the school district;

(f) Number of K-12 students per classroom teacher on a per teacher basis;

(g) Number of K-12 classroom teachers per student on a per student basis;

(h) Percentage of a classroom teacher per student on a per student basis; and

(i) The cost of K-12 education per student by school district sorted by federal, state, and local dollars.

(6) The superintendent of public instruction shall submit a preliminary report to the legislature by November 15, 2009, including the analyses by the K-12 data governance group under subsection (3) of this section and preliminary options for addressing identified gaps. A final report, including a proposed phase-in plan and preliminary cost estimates for implementation of a comprehensive data improvement system for financial, student, and educator data shall be submitted to the legislature by September 1, 2010.

(7) All reports and data referenced in this section, RCW 43.41.400, and section 202 of this act shall be made available in a manner consistent with the technical requirements of the legislative evaluation and accountability program committee and the education data center so that selected data can be provided to the legislature, governor, school districts, and the public.

(8) Reports shall contain data to the extent it is available. All reports must include documentation of which data are not available or are estimated. Reports must not be suppressed because of poor data accuracy or completeness. Reports may be accompanied with documentation to inform the reader of why some data are missing or inaccurate or estimated.

NEW SECTION. Sec. 204. A new section is added to chapter 43.41 RCW to read as follows:

The education data center and the superintendent of public instruction shall take all actions necessary to secure federal funds to implement sections 201 through 203 of this act.

PART III OTHER EDUCATIONAL PROVISIONS

NEW SECTION. Sec. 301. A new section is added to chapter 28A.500 RCW to read as follows:

(1) The legislature finds that while the state has the responsibility to provide for a general and uniform system of public schools, there is also a need for some diversity in the public school system. A successful system of public education must permit some variation among school districts outside the basic education provided for by the state to respond to and reflect the unique desires of local communities. The opportunity for local communities to invest in enriched education programs promotes support for local public schools. Further, the ability of local school districts to experiment with enriched programs can inform the legislature's long-term evolution of the definition of basic education. Therefore, local levy authority remains an important component of the overall finance system in support of the public schools even though it is outside the state's obligation for basic education.

(2) However, the value of permitting local levies must be balanced with the value of equity and fairness to students and to taxpayers, neither of whom should be unduly disadvantaged due to differences in the tax bases used to support local levies. Equity and fairness require both an equitable basis for supplemental funding outside basic education and a mechanism for property tax-poor school districts to fairly access supplemental funding. As such, local effort assistance, while also outside the state's obligation for basic education, is another important component of school finance.

NEW SECTION. Sec. 302. (1) Beginning July 1, 2010, the office of financial management, with assistance and support from the office of the superintendent of public instruction, shall convene a technical working group to develop options for a new system of supplemental school funding through local school levies and local effort assistance.

(2) The working group shall consider the impact on overall school district revenues of the new basic education funding system established under this act and shall recommend a phase-in plan that ensures that no school district suffers a decrease in funding from one school year to the next due to implementation of the new system of supplemental funding.

(3) The working group shall be composed of representatives from the department of revenue, the legislative evaluation and accountability program committee, school district and educational service district financial managers, and representatives of the Washington association of school business officers, the Washington education association, the Washington association of school administrators, the association of Washington school principals, the Washington state school directors' association, the public school employees of Washington, and other interested stakeholders with expertise in education finance. The

working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(4) The local funding working group shall be monitored and overseen by the legislature and by the quality education council created in section 114 of this act. The working group shall report to the legislature December 1, 2011.

Sec. 303. RCW 28A.195.010 and 2004 c 19 s 106 are each amended to read as follows:

The legislature hereby recognizes that private schools should be subject only to those minimum state controls necessary to insure the health and safety of all the students in the state and to insure a sufficient basic education to meet usual graduation requirements. The state, any agency or official thereof, shall not restrict or dictate any specific educational or other programs for private schools except as hereinafter in this section provided.

Principals of private schools or superintendents of private school districts shall file each year with the state superintendent of public instruction a statement certifying that the minimum requirements hereinafter set forth are being met, noting any deviations. After review of the statement, the state superintendent will notify schools or school districts of those deviations which must be corrected. In case of major deviations, the school or school district may request and the state board of education may grant provisional status for one year in order that the school or school district may take action to meet the requirements. The state board of education shall not require private school students to meet the student learning goals, obtain a certificate of academic achievement, or a certificate of individual achievement to graduate from high school, to master the essential academic learning requirements, or to be assessed pursuant to RCW 28A.655.061. However, private schools may choose, on a voluntary basis, to have their students master these essential academic learning requirements, take the assessments, and obtain a certificate of academic achievement or a certificate of individual achievement. Minimum requirements shall be as follows:

(1) The minimum school year for instructional purposes shall consist of no less than one hundred eighty school days or the equivalent in annual minimum ~~((program))~~ instructional hour offerings ~~((as prescribed in RCW 28A.150.220))~~, with a school-wide annual average total instructional hour offering of one thousand hours for students enrolled in grades one through twelve, and at least four hundred fifty hours for students enrolled in kindergarten.

(2) The school day shall be the same as ~~((that required in RCW 28A.150.030 and 28A.150.220, except that the percentages of total program hour offerings as prescribed in RCW 28A.150.220 for basic skills, work skills, and optional subjects and activities shall not apply to private schools or private sectarian schools))~~ defined in section 102 of this act.

(3) All classroom teachers shall hold appropriate Washington state certification except as follows:

(a) Teachers for religious courses or courses for which no counterpart exists in public schools shall not be required to obtain a state certificate to teach those courses.

(b) In exceptional cases, people of unusual competence but without certification may teach students so long as a certified person exercises general supervision. Annual written statements shall be submitted to the office of the

superintendent of public instruction reporting and explaining such circumstances.

(4) An approved private school may operate an extension program for parents, guardians, or persons having legal custody of a child to teach children in their custody. The extension program shall require at a minimum that:

(a) The parent, guardian, or custodian be under the supervision of an employee of the approved private school who is certified under chapter 28A.410 RCW;

(b) The planning by the certified person and the parent, guardian, or person having legal custody include objectives consistent with this subsection and subsections (1), (2), (5), (6), and (7) of this section;

(c) The certified person spend a minimum average each month of one contact hour per week with each student under his or her supervision who is enrolled in the approved private school extension program;

(d) Each student's progress be evaluated by the certified person; and

(e) The certified employee shall not supervise more than thirty students enrolled in the approved private school's extension program.

(5) Appropriate measures shall be taken to safeguard all permanent records against loss or damage.

(6) The physical facilities of the school or district shall be adequate to meet the program offered by the school or district: PROVIDED, That each school building shall meet reasonable health and fire safety requirements. A residential dwelling of the parent, guardian, or custodian shall be deemed to be an adequate physical facility when a parent, guardian, or person having legal custody is instructing his or her child under subsection (4) of this section.

(7) Private school curriculum shall include instruction of the basic skills of occupational education, science, mathematics, language, social studies, history, health, reading, writing, spelling, and the development of appreciation of art and music, all in sufficient units for meeting state board of education graduation requirements.

(8) Each school or school district shall be required to maintain up-to-date policy statements related to the administration and operation of the school or school district.

All decisions of policy, philosophy, selection of books, teaching material, curriculum, except as in subsection (7) of this section provided, school rules and administration, or other matters not specifically referred to in this section, shall be the responsibility of the administration and administrators of the particular private school involved.

Sec. 304. RCW 28A.160.150 and 1996 c 279 s 1 are each amended to read as follows:

Funds allocated for transportation costs, except for funds provided for transportation and transportation services to and from school shall be in addition to the basic education allocation. The distribution formula developed in RCW 28A.160.150 through 28A.160.180 shall be for allocation purposes only and shall not be construed as mandating specific levels of pupil transportation services by local districts. Operating costs as determined under RCW 28A.160.150 through 28A.160.180 shall be funded at one hundred percent or as close thereto as reasonably possible for transportation of an eligible student to and from school as defined in RCW 28A.160.160(3). In addition, funding shall

be provided for transportation services for students living within ~~((one-radius mile from school))~~ the walk area as determined under RCW ~~((28A.160.180(2)))~~ 28A.160.160(5).

Sec. 305. RCW 28A.160.160 and 1996 c 279 s 2 are each amended to read as follows:

For purposes of RCW 28A.160.150 through 28A.160.190, except where the context shall clearly indicate otherwise, the following definitions apply:

(1) "Eligible student" means any student served by the transportation program of a school district or compensated for individual transportation arrangements authorized by RCW 28A.160.030 whose route stop is ~~((more than one-radius mile from the))~~ outside the walk area for a student's school, except if the student to be transported is disabled under RCW 28A.155.020 and is either not ambulatory or not capable of protecting his or her own welfare while traveling to or from the school or agency where special education services are provided, in which case no mileage distance restriction applies.

(2) "Superintendent" means the superintendent of public instruction.

(3) "To and from school" means the transportation of students for the following purposes:

(a) Transportation to and from route stops and schools;

(b) Transportation to and from schools pursuant to an interdistrict agreement pursuant to RCW 28A.335.160;

(c) Transportation of students between schools and learning centers for instruction specifically required by statute; and

(d) Transportation of students with disabilities to and from schools and agencies for special education services.

Academic extended day transportation for the instructional program of basic education under RCW 28A.150.220 shall ~~((not))~~ be considered part of transportation of students "to and from school" for the purposes of ~~((chapter 61, Laws of 1983 1st ex. sess))~~ this section. Transportation for field trips may not be considered part of transportation of students "to and from school" under this section.

(4) "Transportation services" for students living within ~~((one-radius mile from school means school transportation services including the use of buses;))~~ the walk area includes the coordination of walk-to-school programs, the funding of crossing guards, and matching funds for local and state transportation projects intended to mitigate hazardous walking conditions. Priority for transportation services shall be given to students in grades kindergarten through five.

(5) As used in this section, "walk area" means that area around a school with an adequate roadway configuration to provide students access to school with a walking distance of less than one mile. Mileage must be measured along the shortest roadway or maintained public walkway where hazardous conditions do not exist. The hazardous conditions must be documented by a process established in rule by the superintendent of public instruction and must include roadway, environmental, and social conditions. Each elementary school shall identify walk routes within the walk area.

Sec. 306. RCW 28A.160.170 and 2007 c 139 s 1 are each amended to read as follows:

Each district shall submit three times each year to the superintendent of public instruction during October, February, and May of each year a report containing the following:

(1)(a) The number of eligible students transported to and from school as provided for in RCW 28A.160.150 (~~((for the current school year and the number of miles estimated to be driven for pupil transportation services))~~), along with (~~((a map describing student route))~~) identification of stop locations and school locations, and (b) the number of miles driven for pupil transportation services as authorized in RCW 28A.160.150 the previous school year; and

(2) Other operational data and descriptions as required by the superintendent to determine allocation requirements for each district. The superintendent shall require that districts separate the costs of operating the program for the transportation of eligible students to and from school as defined by RCW 28A.160.160(3) from non-to-and-from-school pupil transportation costs in the annual financial statement. The cost, quantity, and type of all fuel purchased by school districts for use in to-and-from-school transportation shall be included in the annual financial statement.

Each district shall submit the information required in this section on a timely basis as a condition of the continuing receipt of school transportation monies.

Sec. 307. RCW 28A.160.180 and 1996 c 279 s 3 are each amended to read as follows:

Each district's annual student transportation allocation shall be (~~((based on differential rates))~~) determined by the superintendent of public instruction in the following manner:

(1) The superintendent shall annually calculate (~~((a standard student mile allocation rate for determining))~~) the transportation allocation for those services provided for in RCW 28A.160.150. (~~((("Standard student mile allocation rate," as used in this chapter, means the per mile allocation rate for transporting an eligible student.))~~) The (~~((standard student mile))~~) allocation (~~((rate))~~) formula may be adjusted to include such additional differential factors as (~~((distance; restricted))~~) basic and special passenger (load; circumstances that require use of special types of transportation vehicles; student with disabilities load; and small fleet maintenance)) counts as defined by the superintendent of public instruction, average distance to school, and number of locations served.

(2) (~~((For transportation services for students living within one radius mile from school.))~~) The allocation shall be based on a regression analysis of the number of basic and special students (~~((in grades kindergarten through five living within one radius mile as specified in the biennial appropriations act))~~) transported and as many other site characteristics that are identified as being statistically significant.

(3) (~~((The superintendent of public instruction shall annually calculate allocation rate(s), which shall include vehicle amortization, for determining))~~) The transportation allocation for transporting students in district-owned passenger cars, as defined in RCW 46.04.382, pursuant to RCW 28A.160.010 for services provided for in RCW 28A.160.150 if a school district deems it advisable to use such vehicles after the school district board of directors has

considered the safety of the students being transported as well as the economy of utilizing a district-owned passenger car in lieu of a school bus is the private vehicle reimbursement rate in effect on September 1st of each school year. Students transported in district-owned passenger cars must be included in the corresponding basic or special passenger counts.

(4) Prior to June 1st of each year the superintendent shall submit to the office of financial management, and the education and fiscal committees ((~~an education and ways and means of the senate and house of representatives~~) of the legislature, a report outlining the methodology and rationale used in determining the statistical coefficients for each site characteristic used to determine the allocation ((~~rates to be used~~)) for the following year.

Sec. 308. RCW 28A.160.190 and 1990 c 33 s 145 are each amended to read as follows:

The superintendent shall notify districts of their student transportation allocation before January 15th. ~~((If the number of eligible students in a school district changes ten percent or more from the October report, and the change is maintained for a period of twenty consecutive school days or more, the district may submit revised eligible student data to the superintendent of public instruction.))~~ The superintendent shall ~~((, to the extent funds are available,))~~ recalculate and prorate the district's allocation for the transportation of pupils to and from school.

The superintendent shall make the student transportation allocation in accordance with the apportionment payment schedule in RCW 28A.510.250. Such allocation payments may be based on ~~((estimated amounts))~~ the prior school year's ridership report for payments to be made in September, October, November, December, and January.

NEW SECTION. Sec. 309. A new section is added to chapter 28A.160 RCW to read as follows:

The superintendent of public instruction shall ensure that the allocation formula results in adequate appropriation for low enrollment districts, nonhigh districts, districts involved in cooperative transportation agreements, and cooperative special transportation services operated by educational service districts. If necessary, the superintendent shall develop a separate process to adjust the allocation of the districts.

NEW SECTION. Sec. 310. A new section is added to chapter 28A.160 RCW to read as follows:

(1) The superintendent of public instruction shall encourage efficient use of state resources by providing a linear programming process that compares school district transportation operations. If a school district's operation is calculated to be less than ninety percent efficient, the regional transportation coordinators shall provide an individual review to determine what measures are available to the school district to improve efficiency. The evaluation shall include such measures as:

- (a) Efficient routing of buses;
- (b) Efficient use of vehicle capacity; and
- (c) Reasonable controls on compensation costs.

(2) The superintendent shall submit to the fiscal and education committees of the legislature no later than December 1st of each year a report summarizing

the efficiency reviews and the resulting changes implemented by school districts in response to the recommendations of the regional transportation coordinators.

NEW SECTION. Sec. 311. A new section is added to chapter 28A.160 RCW to read as follows:

(1) The superintendent of public instruction shall phase-in the implementation of the distribution formula under this chapter for allocating state funds to school districts for the transportation of students to and from school. The phase-in shall be according to the implementation schedule adopted by the legislature and shall begin no later than the 2013-14 school year.

(a) The formula must be developed and revised on an ongoing basis using the major cost factors in student transportation, including basic and special student loads, school district land area, average distance to school, roadway miles, and number of locations served. Factors must include all those site characteristics that are statistically significant after analysis of the data required by the revised reporting process.

(b) The formula must allocate funds to school districts based on the average predicted costs of transporting students to and from school, using a regression analysis.

(2) During the phase-in period, funding provided to school districts for student transportation operations shall be distributed on the following basis:

(a) Annually, each school district shall receive the lesser of the previous school year's pupil transportation operations allocation, or the total of allowable pupil transportation expenditures identified on the previous school year's final expenditure report to the state plus district indirect expenses using the state recovery rate identified by the superintendent; and

(b) Annually, any funds appropriated by the legislature in excess of the maintenance level funding amount for student transportation shall be distributed among school districts on a prorated basis using the difference between the amount identified in (a) of this subsection and the amount determined under the formula in RCW 28A.160.180.

(3) The superintendent shall develop, implement, and provide a copy of the rules specifying the student transportation reporting requirements to the legislature and school districts no later than December 1, 2009.

(4) Beginning in December 2009, and continuing until December 2014, the superintendent shall provide quarterly updates and progress reports to the fiscal committees of the legislature on the implementation and testing of the distribution formula.

PART IV

CERTIFICATION AND PROFESSIONAL DEVELOPMENT

NEW SECTION. Sec. 401. The legislature recognizes that the key to providing all students the opportunity to achieve the basic education goal is effective teaching and leadership. Teachers, principals, and administrators must be provided with access to the opportunities they need to gain the knowledge and skills that will enable them to be increasingly successful in their classroom and schools. A system that clearly defines, supports, measures, and recognizes effective teaching and leadership is one of the most important investments to be made.

NEW SECTION. **Sec. 402.** A new section is added to chapter 28A.410 RCW to read as follows:

(1)(a) By January 1, 2010, the professional educator standards board shall adopt a set of articulated teacher knowledge, skill, and performance standards for effective teaching that are evidence-based, measurable, meaningful, and documented in high quality research as being associated with improved student learning. The standards shall be calibrated for each level of certification and along the entire career continuum. In developing the standards, the board shall, to the extent possible, incorporate standards for cultural competency along the entire continuum. For the purposes of this subsection, "cultural competency" includes knowledge of student cultural histories and contexts, as well as family norms and values in different cultures; knowledge and skills in accessing community resources and community and parent outreach; and skills in adapting instruction to students' experiences and identifying cultural contexts for individual students.

(b) By January 1, 2010, the professional educator standards board shall adopt a definition of master teacher, with a comparable level of increased competency between professional certification level and master level as between professional certification level and national board certification. Within the definition established by the professional educator standards board, teachers certified through the national board for professional teaching standards shall be considered master teachers.

(2) By January 1, 2010, the professional educator standards board shall submit to the governor and the education and fiscal committees of the legislature:

(a) An update on the status of implementation of the professional certificate external and uniform assessment authorized in RCW 28A.410.210;

(b) A proposal for a uniform, statewide, valid, and reliable classroom-based means of evaluating teacher effectiveness as a culminating measure at the preservice level that is to be used during the student-teaching field experience. This assessment shall include multiple measures of teacher performance in classrooms, evidence of positive impact on student learning, and shall include review of artifacts, such as use of a variety of assessment and instructional strategies, and student work. The proposal shall establish a timeline for when the assessment will be required for successful completion of a Washington state-approved teacher preparation program. The timeline shall take into account the capacity of the K-12 education and higher education systems to accommodate the new assessment. The proposal and timeline shall also address how the assessment will be included in state-reported data on preparation program quality; and

(c) A recommendation on the length of time that a residency certificate issued to a teacher is valid and within what time period a teacher must meet the minimum level of performance for and receive a professional certificate in order to continue being certified as a teacher. In developing this recommendation, the professional educator standards board shall consult with interested stakeholders including the Washington education association, the Washington association of school administrators, association of Washington school principals, and the Washington state school directors' association and shall include with its

recommendation a description of each stakeholder's comments on the recommendation.

(3) The update and proposal in subsection (2)(a) and (b) of this section shall include, at a minimum, descriptions of:

(a) Estimated costs and statutory authority needed for further development and implementation of these assessments;

(b) A common and standardized rubric for determining whether a teacher meets the minimum level of performance of the assessments; and

(c) Administration and management of the assessments.

(4) To the extent that funds are appropriated for this purpose and in accordance with the timeline established in subsection (2) of this section, recognizing the capacity limitations of the education systems, the professional educator standards board shall develop the system and process as established in subsections (1), (2), and (3) of this section throughout the remainder of the 2010-11 and 2011-12 school years.

(5) Beginning no earlier than September 1, 2011, award of a professional certificate shall be based on a minimum of two years of successful teaching experience as defined by the board and on the results of the evaluation authorized under RCW 28A.410.210(14) and under this section, and may not require candidates to enroll in a professional certification program.

(6) Beginning July 1, 2011, educator preparation programs approved to offer the residency teaching certificate shall be required to demonstrate how the program produces effective teachers as evidenced by the measures established under this section and other criteria established by the professional educator standards board.

Sec. 403. RCW 28A.415.360 and 2007 c 402 s 9 are each amended to read as follows:

(1) Subject to funds appropriated for this purpose, targeted professional development programs, to be known as learning improvement days, are authorized to further the development of outstanding mathematics, science, and reading teaching and learning opportunities in the state of Washington. The intent of this section is to provide guidance for the learning improvement days in the omnibus appropriations act. The learning improvement days authorized in this section shall not be considered part of the definition of basic education.

(2) ~~((The expected outcomes of these programs are))~~ A school district is eligible to receive funding for learning improvement days that are limited to specific activities related to student learning that contribute to the following outcomes:

(a) Provision of meaningful, targeted professional development for all teachers in mathematics, science, or reading;

(b) Increased knowledge and instructional skill for mathematics, science, or reading teachers;

(c) Increased use of curriculum materials with supporting diagnostic and supplemental materials that align with state standards;

(d) Skillful guidance for students participating in alternative assessment activities;

(e) Increased rigor of course offerings especially in mathematics, science, and reading;

(f) Increased student opportunities for focused, applied mathematics and science classes;

(g) Increased student success on state achievement measures; and

(h) Increased student appreciation of the value and uses of mathematics, science, and reading knowledge and exploration of related careers.

(3) School districts receiving resources under this section shall submit reports to the superintendent of public instruction (~~((regarding the use of the funds;))~~) documenting how the use of the funds (~~((is associated with))~~) contributes to measurable improvement in the (~~((expected))~~) outcomes described under subsection (2) of this section; and how other professional development resources and programs authorized in statute or in the omnibus appropriations act contribute to the expected outcomes. The superintendent of public instruction and the office of financial management shall collaborate on required report content and format.

PART V SHARED ACCOUNTABILITY FOR SCHOOL AND DISTRICT IMPROVEMENT

NEW SECTION. Sec. 501. (1)(a) The legislature intends to develop a system in which the state and school districts share accountability for achieving state educational standards and supporting continuous school improvement. The legislature recognizes that comprehensive education finance reform and the increased investment of public resources necessary to implement that reform must be accompanied by a new mechanism for clearly defining the relationships and expectations for the state, school districts, and schools. It is the legislature's intent that this be accomplished through the development of a proactive, collaborative accountability system that focuses on a school improvement system that engages and serves the local school board, parents, students, staff in the schools and districts, and the community. The improvement system shall be based on progressive levels of support, with a goal of continuous improvement in student achievement and alignment with the federal system of accountability.

(b) The legislature further recognizes that it is the state's responsibility to provide schools and districts with the tools and resources necessary to improve student achievement. These tools include the necessary accounting and data reporting systems, assessment systems to monitor student achievement, and a system of general support, targeted assistance, recognition, and, if necessary, state intervention.

(2) The legislature has already charged the state board of education to develop criteria to identify schools and districts that are successful, in need of assistance, and those where students persistently fail, as well as to identify a range of intervention strategies and a performance incentive system. The legislature finds that the state board of education should build on the work that the board has already begun in these areas. As development of these formulas, processes, and systems progresses, the legislature should monitor the progress.

Sec. 502. RCW 28A.305.130 and 2008 c 27 s 1 are each amended to read as follows:

The purpose of the state board of education is to provide advocacy and strategic oversight of public education; implement a standards-based

accountability ((system)) framework that creates a unified system of increasing levels of support for schools in order to improve student academic achievement; provide leadership in the creation of a system that personalizes education for each student and respects diverse cultures, abilities, and learning styles; and promote achievement of the goals of RCW 28A.150.210. In addition to any other powers and duties as provided by law, the state board of education shall:

(1) Hold regularly scheduled meetings at such time and place within the state as the board shall determine and may hold such special meetings as may be deemed necessary for the transaction of public business;

(2) Form committees as necessary to effectively and efficiently conduct the work of the board;

(3) Seek advice from the public and interested parties regarding the work of the board;

(4) For purposes of statewide accountability:

(a) Adopt and revise performance improvement goals in reading, writing, science, and mathematics, by subject and grade level, once assessments in these subjects are required statewide; academic and technical skills, as appropriate, in secondary career and technical education programs; and student attendance, as the board deems appropriate to improve student learning. The goals shall be consistent with student privacy protection provisions of RCW 28A.655.090(7) and shall not conflict with requirements contained in Title I of the federal elementary and secondary education act of 1965, or the requirements of the Carl D. Perkins vocational education act of 1998, each as amended. The goals may be established for all students, economically disadvantaged students, limited English proficient students, students with disabilities, and students from disproportionately academically underachieving racial and ethnic backgrounds. The board may establish school and school district goals addressing high school graduation rates and dropout reduction goals for students in grades seven through twelve. The board shall adopt the goals by rule. However, before each goal is implemented, the board shall present the goal to the education committees of the house of representatives and the senate for the committees' review and comment in a time frame that will permit the legislature to take statutory action on the goal if such action is deemed warranted by the legislature;

(b) Identify the scores students must achieve in order to meet the standard on the Washington assessment of student learning and, for high school students, to obtain a certificate of academic achievement. The board shall also determine student scores that identify levels of student performance below and beyond the standard. The board shall consider the incorporation of the standard error of measurement into the decision regarding the award of the certificates. The board shall set such performance standards and levels in consultation with the superintendent of public instruction and after consideration of any recommendations that may be developed by any advisory committees that may be established for this purpose. The initial performance standards and any changes recommended by the board in the performance standards for the tenth grade assessment shall be presented to the education committees of the house of representatives and the senate by November 30th of the school year in which the changes will take place to permit the legislature to take statutory action before the changes are implemented if such action is deemed warranted by the legislature. The legislature shall be advised of the initial performance standards

and any changes made to the elementary level performance standards and the middle school level performance standards;

~~(c) ((Adopt objective, systematic criteria to identify successful schools and school districts and recommend to the superintendent of public instruction schools and districts to be recognized for two types of accomplishments, student achievement and improvements in student achievement. Recognition for improvements in student achievement shall include consideration of one or more of the following accomplishments:~~

~~(i) An increase in the percent of students meeting standards. The level of achievement required for recognition may be based on the achievement goals established by the legislature and by the board under (a) of this subsection;~~

~~(ii) Positive progress on an improvement index that measures improvement in all levels of the assessment; and~~

~~(iii) Improvements despite challenges such as high levels of mobility, poverty, English as a second language learners, and large numbers of students in special populations as measured by either the percent of students meeting the standard, or the improvement index. When determining the baseline year or years for recognizing individual schools, the board may use the assessment results from the initial years the assessments were administered, if doing so with individual schools would be appropriate;~~

~~(d) Adopt objective, systematic criteria to identify schools and school districts in need of assistance and those in which significant numbers of students persistently fail to meet state standards. In its deliberations, the board shall consider the use of all statewide mandated criterion-referenced and norm-referenced standardized tests;~~

~~(e) Identify schools and school districts in which state intervention measures will be needed and a range of appropriate intervention strategies after the legislature has authorized a set of intervention strategies. After the legislature has authorized a set of intervention strategies, at the request of the board, the superintendent shall intervene in the school or school district and take corrective actions. This chapter does not provide additional authority for the board or the superintendent of public instruction to intervene in a school or school district;~~

~~(f) Identify performance incentive systems that have improved or have the potential to improve student achievement;~~

~~(g)) Annually review the assessment reporting system to ensure fairness, accuracy, timeliness, and equity of opportunity, especially with regard to schools with special circumstances and unique populations of students, and a recommendation to the superintendent of public instruction of any improvements needed to the system; and~~

~~((h))~~ (d) Include in the biennial report required under RCW 28A.305.035, information on the progress that has been made in achieving goals adopted by the board;

(5) Accredited, subject to such accreditation standards and procedures as may be established by the state board of education, all private schools that apply for accreditation, and approve, subject to the provisions of RCW 28A.195.010, private schools carrying out a program for any or all of the grades kindergarten through twelve: PROVIDED, That no private school may be approved that operates a kindergarten program only: PROVIDED FURTHER, That no private

schools shall be placed upon the list of accredited schools so long as secret societies are knowingly allowed to exist among its students by school officials;

(6) Articulate with the institutions of higher education, workforce representatives, and early learning policymakers and providers to coordinate and unify the work of the public school system;

(7) Hire an executive director and an administrative assistant to reside in the office of the superintendent of public instruction for administrative purposes. Any other personnel of the board shall be appointed as provided by RCW 28A.300.020. The board may delegate to the executive director by resolution such duties as deemed necessary to efficiently carry on the business of the board including, but not limited to, the authority to employ necessary personnel and the authority to enter into, amend, and terminate contracts on behalf of the board. The executive director, administrative assistant, and all but one of the other personnel of the board are exempt from civil service, together with other staff as now or hereafter designated as exempt in accordance with chapter 41.06 RCW; and

(8) Adopt a seal that shall be kept in the office of the superintendent of public instruction.

NEW SECTION. Sec. 503. A new section is added to chapter 28A.305 RCW to read as follows:

(1) The state board of education shall continue to refine the development of an accountability framework that creates a unified system of support for challenged schools, that aligns with basic education, increases the level of support based upon the magnitude of need, and uses data for decisions.

(2) The state board of education shall develop an accountability index to identify schools and districts for recognition and for additional state support. The index shall be based on criteria that are fair, consistent, and transparent. Performance shall be measured using multiple outcomes and indicators including, but not limited to, graduation rates and results from statewide assessments. The index shall be developed in such a way as to be easily understood by both employees within the schools and districts, as well as parents and community members. It is the legislature's intent that the index provide feedback to schools and districts to self-assess their progress, and enable the identification of schools with exemplary student performance and those that need assistance to overcome challenges in order to achieve exemplary student performance. Once the accountability index has identified schools that need additional help, a more thorough analysis will be done to analyze specific conditions in the district including but not limited to the level of state resources a school or school district receives in support of the basic education system, achievement gaps for different groups of students, and community support.

(3) Based on the accountability index and in consultation with the superintendent of public instruction, the state board of education shall develop a proposal and timeline for implementation of a comprehensive system of voluntary support and assistance for schools and districts. The timeline must take into account and accommodate capacity limitations of the K-12 educational system. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized by the legislature through the omnibus appropriations act or other enacted legislation.

(4)(a) The state board of education shall develop a proposal and implementation timeline for a more formalized comprehensive system improvement targeted to challenged schools and districts that have not demonstrated sufficient improvement through the voluntary system. The timeline must take into account and accommodate capacity limitations of the K-12 educational system. The proposal and timeline shall be submitted to the education committees of the legislature by December 1, 2009, and shall include recommended legislation and recommended resources to implement the system according to the timeline developed.

(b) The proposal shall outline a process for addressing performance challenges that will include the following features: (i) An academic performance audit using peer review teams of educators that considers school and community factors in addition to other factors in developing recommended specific corrective actions that should be undertaken to improve student learning; (ii) a requirement for the local school board plan to develop and be responsible for implementation of corrective action plan taking into account the audit findings, which plan must be approved by the state board of education at which time the plan becomes binding upon the school district to implement; and (iii) monitoring of local district progress by the office of the superintendent of public instruction. The proposal shall take effect only if formally authorized by the legislature through the omnibus appropriations act or other enacted legislation.

(5) In coordination with the superintendent of public instruction, the state board of education shall seek approval from the United States department of education for use of the accountability index and the state system of support, assistance, and intervention, to replace the federal accountability system under P.L. 107-110, the no child left behind act of 2001.

(6) The state board of education shall work with the education data center established within the office of financial management and the technical working group established in section 112 of this act to determine the feasibility of using the prototypical funding allocation model as not only a tool for allocating resources to schools and districts but also as a tool for schools and districts to report to the state legislature and the state board of education on how the state resources received are being used.

PART VI COMPENSATION

NEW SECTION. Sec. 601. A new section is added to chapter 43.41 RCW to read as follows:

(1) The legislature recognizes that providing students with the opportunity to access a world-class educational system depends on our continuing ability to provide students with access to world-class educators. The legislature also understands that continuing to attract and retain the highest quality educators will require increased investments. The legislature intends to enhance the current salary allocation model and recognizes that changes to the current model cannot be imposed without great deliberation and input from teachers, administrators, and classified employees. Therefore, it is the intent of the legislature to begin the process of developing an enhanced salary allocation

model that is collaboratively designed to ensure the rationality of any conclusions regarding what constitutes adequate compensation.

(2) Beginning July 1, 2011, the office of financial management shall convene a technical working group to recommend the details of an enhanced salary allocation model that aligns state expectations for educator development and certification with the compensation system and establishes recommendations for a concurrent implementation schedule. In addition to any other details the technical working group deems necessary, the technical working group shall make recommendations on the following:

(a) How to reduce the number of tiers within the existing salary allocation model;

(b) How to account for labor market adjustments;

(c) How to account for different geographic regions of the state where districts may encounter difficulty recruiting and retaining teachers;

(d) The role of and types of bonuses available;

(e) Ways to accomplish salary equalization over a set number of years; and

(f) Initial fiscal estimates for implementing the recommendations including a recognition that staff on the existing salary allocation model would have the option to grandfather in permanently to the existing schedule.

(3) As part of its work, the technical working group shall conduct or contract for a preliminary comparative labor market analysis of salaries and other compensation for school district employees to be conducted and shall include the results in any reports to the legislature. For the purposes of this subsection, "salaries and other compensation" includes average base salaries, average total salaries, average employee basic benefits, and retirement benefits.

(4) The analysis required under subsection (1) of this section must:

(a) Examine salaries and other compensation for teachers, other certificated instructional staff, principals, and other building-level certificated administrators, and the types of classified employees for whom salaries are allocated;

(b) Be calculated at a statewide level that identifies labor markets in Washington through the use of data from the United States bureau of the census and the bureau of labor statistics; and

(c) Include a comparison of salaries and other compensation to the appropriate labor market for at least the following subgroups of educators: Beginning teachers and types of educational staff associates.

(5) The working group shall include representatives of the department of personnel, the professional educator standards board, the office of the superintendent of public instruction, the Washington education association, the Washington association of school administrators, the association of Washington school principals, the Washington state school directors' association, the public school employees of Washington, and other interested stakeholders with appropriate expertise in compensation related matters. The working group may convene advisory subgroups on specific topics as necessary to assure participation and input from a broad array of diverse stakeholders.

(6) The working group shall be monitored and overseen by the legislature and the quality education council created in section 114 of this act. The working group shall make an initial report to the legislature by December 1, 2012, and

shall include in its report recommendations for whether additional further work of the group is necessary.

PART VII GENERAL PROVISIONS—PROGRAM OF BASIC EDUCATION

Sec. 701. RCW 28A.165.005 and 2004 c 20 s 1 are each amended to read as follows:

~~((The learning assistance program requirements in))~~ This chapter ~~((are))~~ is designed to: (1) Promote the use of assessment data when developing programs to assist underachieving students; and (2) guide school districts in providing the most effective and efficient practices when implementing ~~((programs))~~ supplemental instruction and services to assist underachieving students. ~~((Further, this chapter provides the means by which a school district becomes eligible for learning assistance program funds and the distribution of those funds.))~~

Sec. 702. RCW 28A.165.015 and 2004 c 20 s 2 are each amended to read as follows:

Unless the context clearly indicates otherwise the definitions in this section apply throughout this chapter.

(1) "Approved program" means a program submitted to and approved by the office of the superintendent of public instruction and conducted pursuant to the plan that addresses the required elements as provided for in this chapter.

(2) "Basic skills areas" means reading, writing, and mathematics as well as readiness associated with these skills.

(3) "Participating student" means a student in kindergarten through grade ~~((eleven who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services. Beginning with the 2007-2008 school year, "participating student" means a student in kindergarten through grade))~~ twelve who scores below standard for his or her grade level on the statewide assessments and who is identified in the approved plan to receive services.

(4) "Statewide assessments" means one or more of the several basic skills assessments administered as part of the state's student assessment system, and assessments in the basic skills areas administered by local school districts.

(5) "Underachieving students" means students with the greatest academic deficits in basic skills as identified by the statewide assessments.

Sec. 703. RCW 28A.165.055 and 2008 c 321 s 10 are each amended to read as follows:

~~((+))~~ Each school district with an approved program is eligible for state funds provided for the learning assistance program. The funds shall be appropriated for the learning assistance program in accordance with RCW 28A.150.260 and the ((biennial)) omnibus appropriations act. The distribution formula is for school district allocation purposes only, but funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065. ~~((The distribution formula shall be based on one or more family income factors measuring economic need.~~

~~((2) In addition to the funds allocated to eligible school districts on the basis of family income factors, enhanced funds shall be allocated for school districts~~

where more than twenty percent of students are eligible for and enrolled in the transitional bilingual instruction program under chapter 28A.180 RCW as provided in this subsection. The enhanced funding provided in this subsection shall take effect beginning in the 2008-09 school year.

(a) If, in the prior school year, a district's percent of October headcount student enrollment in grades kindergarten through twelve who are enrolled in the transitional bilingual instruction program, based on an average of the program headcount taken in October and May, exceeds twenty percent, twenty percent shall be subtracted from the district's percent transitional bilingual instruction program enrollment and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.

(b) The number calculated under (a) of this subsection shall be the number of additional funded students for purposes of this subsection, to be multiplied by the per-funded student allocation rates specified in the omnibus appropriations act.

(c) School districts are only eligible for the enhanced funds under this subsection if their percentage of October headcount enrollment in grades kindergarten through twelve eligible for free or reduced-price lunch exceeded forty percent in the prior school year.)

Sec. 704. RCW 28A.180.010 and 1990 c 33 s 163 are each amended to read as follows:

RCW 28A.180.010 through 28A.180.080 shall be known and cited as "the transitional bilingual instruction act." The legislature finds that there are large numbers of children who come from homes where the primary language is other than English. The legislature finds that a transitional bilingual education program can meet the needs of these children. Pursuant to the policy of this state to insure equal educational opportunity to every child in this state, it is the purpose of RCW 28A.180.010 through 28A.180.080 to provide for the implementation of transitional bilingual education programs in the public schools((, and to provide supplemental financial assistance to school districts to meet the extra costs of these programs)).

Sec. 705. RCW 28A.180.080 and 1995 c 335 s 601 are each amended to read as follows:

((The superintendent of public instruction shall prepare and submit biennially to the governor and the legislature a budget request for bilingual instruction programs.)) Moneys appropriated by the legislature for the purposes of RCW 28A.180.010 through 28A.180.080 shall be allocated by the superintendent of public instruction to school districts for the sole purpose of operating an approved bilingual instruction program((; priorities for funding shall exist for the early elementary grades. No moneys shall be allocated pursuant to this section to fund more than three school years of bilingual instruction for each eligible pupil within a district. PROVIDED, That such moneys may be allocated to fund more than three school years of bilingual instruction for any pupil who fails to demonstrate improvement in English language skills adequate to remove impairment of learning when taught only in English. The superintendent of public instruction shall set standards and approve a test for the measurement of such English language skills)).

Sec. 706. RCW 28A.225.200 and 1990 c 33 s 234 are each amended to read as follows:

(1) A local district may be authorized by the educational service district superintendent to transport and educate its pupils in other districts for one year, either by payment of a compensation agreed upon by such school districts, or under other terms mutually satisfactory to the districts concerned when this will afford better educational facilities for the pupils and when a saving may be effected in the cost of education(~~(-- PROVIDED, That)~~). Notwithstanding any other provision of law, the amount to be paid by the state to the resident school district for apportionment purposes and otherwise payable pursuant to RCW ~~((28A.150.100-))~~ 28A.150.250 through 28A.150.290, 28A.150.350 through 28A.150.410, 28A.160.150 through 28A.160.200, ~~((28A.160.220))~~ 28A.300.035, and 28A.300.170(~~(-- and 28A.500.010))~~ shall not be greater than the regular apportionment for each high school student of the receiving district. Such authorization may be extended for an additional year at the discretion of the educational service district superintendent.

(2) Subsection (1) of this section shall not apply to districts participating in a cooperative project established under RCW 28A.340.030 which exceeds two years in duration.

Sec. 707. RCW 28A.185.010 and 1984 c 278 s 12 are each amended to read as follows:

Pursuant to rules ~~((and regulations))~~ adopted by the superintendent of public instruction for the administration of this chapter, the superintendent of public instruction shall carry out a program for highly capable students. Such program may include conducting, coordinating and aiding in research (including pilot programs), disseminating information to local school districts, providing statewide staff development, and allocating to school districts supplementary funds for additional costs of district programs, as provided by RCW ~~((28A.185.020))~~ 28A.150.260.

Sec. 708. RCW 28A.185.020 and 1990 c 33 s 168 are each amended to read as follows:

(1) The legislature finds that, for highly capable students, access to accelerated learning and enhanced instruction is access to a basic education. There are multiple definitions of highly capable, from intellectual to academic to artistic. The research literature strongly supports using multiple criteria to identify highly capable students, and therefore, the legislature does not intend to prescribe a single method. Instead, the legislature intends to allocate funding based on two and three hundred fourteen one-thousandths percent of each school district's population and authorize school districts to identify through the use of multiple, objective criteria those students most highly capable and eligible to receive accelerated learning and enhanced instruction in the program offered by the district. Access to accelerated learning and enhanced instruction through the program for highly capable students does not constitute an individual entitlement for any particular student.

(2) Supplementary funds ((as may be)) provided by the state for ((this program, in accordance with RCW 28A.150.370;)) the program for highly capable students under RCW 28A.150.260 shall be categorical funding ((on an excess cost basis based upon a per student amount not to exceed three percent of

~~any district's full-time equivalent enrollment)) to provide services to highly capable students as determined by a school district under RCW 28A.185.030.~~

****NEW SECTION. Sec. 709. A new section is added to chapter 28A.185 RCW to read as follows:***

To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for funding for a highly capable program beyond the amounts provided through the highly capable funding formula under RCW 28A.150.260 and 28A.185.020. Safety net funds shall be awarded by the state safety net oversight committee subject to the conditions and limitations in subsections (1) through (4) of this section.

(1) The committee shall consider additional funds for districts that can convincingly demonstrate that all legitimate expenditures for the highly capable program exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for students in the highly capable program.

(2) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the safety net award process for the highly capable program, including determining the maximum allowable indirect cost for calculating safety net eligibility.

(3) The superintendent of public instruction shall provide technical assistance to school districts in preparing and submitting safety net applications for highly capable programs.

(4) The safety net committee for highly capable programs shall be composed of at least the following members:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor, who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of highly capable programs and funding.

**Sec. 709 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 710. The following acts or parts of acts are each repealed:

(1) RCW 28A.150.030 (School day) and 1971 ex.s. c 161 s 1 & 1969 ex.s. c 223 s 28A.01.010;

(2) RCW 28A.150.060 (Certificated employee) and 2005 c 497 s 212, 1990 c 33 s 102, 1977 ex.s. c 359 s 17, 1975 1st ex.s. c 288 s 21, & 1973 1st ex.s. c 105 s 1;

(3) RCW 28A.150.100 (Basic education certificated instructional staff—Definition—Ratio to students) and 1990 c 33 s 103 & 1987 1st ex.s. c 2 s 203;

(4) RCW 28A.150.040 (School year—Beginning—End) and 1990 c 33 s 101, 1982 c 158 s 5, 1977 ex.s. c 286 s 1, 1975-'76 2nd ex.s. c 118 s 22, & 1969 ex.s. c 223 s 28A.01.020;

(5) RCW 28A.150.370 (Additional programs for which legislative appropriations must or may be made) and 1995 c 335 s 102, 1995 c 77 s 5, 1990 c 33 s 114, 1982 1st ex.s. c 24 s 1, & 1977 ex.s. c 359 s 7; and

(6) RCW 28A.155.180 (Safety net funds—Application—Technical assistance—Annual survey) and 2007 c 400 s 8.

PART VIII MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 801. Part headings used in this act are not any part of the law.

NEW SECTION. Sec. 802. Sections 1, 102, and 109 of this act are each added to chapter 28A.150 RCW.

NEW SECTION. Sec. 803. Section 114 of this act constitutes a new chapter in Title 28A RCW.

NEW SECTION. Sec. 804. Sections 101 through 110 and 701 through 710 of this act take effect September 1, 2011.

NEW SECTION. Sec. 805. Sections 304 through 311 of this act take effect September 1, 2013.

NEW SECTION. Sec. 806. Section 112 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 807. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed by the House April 20, 2009.

Passed by the Senate April 16, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 115 and 709, Engrossed Substitute House Bill 2261 entitled:

"AN ACT Relating to education."

In this legislation a number of programs and formulae are to be developed to expand our state's definition of basic education.

Section 115 initiates the development of an early learning program for at-risk three- and four-year olds. The bill indicates that this program is to become part of the definition of basic education. If early childhood education is to become part of our definition of basic education it cannot be made available only to at-risk children. I am deeply and personally committed to providing quality early learning programs for all of our children and will continue to work to develop an early learning program worthy of our earliest learners. I am asking Superintendent of Public Instruction Randy Dorn and Department of Early Learning Director Betty Hyde to work together to bring a proposal forward that ensures all Washington children have the benefit of early childhood education.

One of the several tasks in Engrossed Substitute House Bill 2261 is the creation of funding formulas to support the program components of a new definition of basic education and to develop a timeline for the implementation of the funding formulas along with programmatic changes. Section 709

requires the state to provide a safety net of resources for students identified by school districts as meeting local requirements for participation in a highly capable program, but for which the allocation does not provide enough support.

Section 709 is not necessary because Section 708 of the bill makes it clear that the highly capable program is not intended to be an entitlement to individual students. This section also has two troubling features: First, local school districts make the determination as to the qualifications for their highly capable programs and the types of programs offered, and by this language locally defined costs are forwarded to the state for payment without regard to other basic education program or other funding needs. Second, the state is required to provide a highly capable program safety net.

As the basic education definition evolves in this legislation, the timeline for implementation of various programs and formulae is left to the Quality Education Council. This specific provision makes the highly capable program the first task for funding, in essence prioritizing this program over all other aspects of basic education funding under consideration. Much work is left to be done to establish standards, guidelines and definitions for what constitutes a highly capable program and what the funding level should be for such a program.

For these reasons I am vetoing Sections 115 and 709 of Engrossed Substitute House Bill 2261.

With the exception of Sections 115 and 709, Engrossed Substitute House Bill 2261 is approved."

CHAPTER 549

[Senate Bill 5038]

GENDER NEUTRAL LANGUAGE

AN ACT Relating to making technical corrections to gender-based terms; amending RCW 4.24.040, 9A.08.010, 9A.76.010, 11.28.090, 11.28.140, 14.12.010, 15.65.020, 18.64.011, 19.06.010, 19.210.010, 38.04.020, 38.16.030, 49.24.140, 49.24.150, 49.24.220, 62A.7-204, 62A.7-309, 69.04.009, 69.04.010, 69.04.024, 69.04.394, 69.04.396, 69.04.480, 69.41.010, 70.87.200, 70.104.020, 70.105.010, 77.55.011, 79A.05.600, 81.40.080, 81.48.050, 81.64.090, 82.75.010, 84.36.260, 85.08.310, 35.07.090, 35.07.120, 35.07.130, 35.07.140, 35.07.150, 35.07.170, 35.07.190, 35.07.200, 35.07.220, 35.13.171, 35.13A.090, 35.14.030, 35.14.060, 35.17.060, 35.17.070, 35.17.080, 35.17.150, 35.17.280, 35.18.010, 35.18.040, 35.18.050, 35.18.060, 35.18.070, 35.18.090, 35.18.110, 35.18.120, 35.18.130, 35.18.150, 35.18.170, 35.18.180, 35.18.190, 35.18.200, 35.18.280, 35.20.105, 35.20.131, 35.20.150, 35.20.170, 35.20.180, 35.20.190, 35.20.220, 35.20.240, 35.21.260, 35.21.850, 35.22.130, 35.22.210, 35.22.280, 35.22.610, 35.23.010, 35.23.111, 35.23.131, 35.23.144, 35.23.410, 35.23.440, 35.27.030, 35.27.050, 35.27.090, 35.27.120, 35.27.170, 35.27.190, 35.27.230, 35.27.280, 35.27.310, 35.27.330, 35.27.340, 35.32A.020, 35.32A.060, 35.33.011, 35.33.055, 35.33.135, 35.33.170, 35.36.010, 35.36.050, 35.36.060, 35.37.120, 35.38.050, 35.39.060, 35.44.190, 35.44.220, 35.44.230, 35.44.270, 35.45.080, 35.45.090, 35.45.130, 35.45.150, 35.49.010, 35.49.040, 35.49.090, 35.49.100, 35.50.005, 35.50.225, 35.53.070, 35.54.100, 35.55.070, 35.56.040, 35.56.080, 35.56.140, 35.58.070, 35.58.100, 35.58.130, 35.58.140, 35.58.150, 35.58.160, 35.58.210, 35.58.230, 35.58.265, 35.58.270, 35.58.370, 35.58.390, 35.58.400, 35.58.460, 35.58.530, 35.61.230, 35.63.020, 35.63.030, 35.63.040, 35.63.100, 35.68.020, 35.69.030, 35.70.030, 35.70.040, 35.70.060, 35.71.050, 35.77.030, 35.82.050, 35.82.060, 35.82.180, 35.84.050, 35.86A.060, 35.88.050, 35.88.060, 35.88.090, 35.92.260, 35.94.020, 35.94.030, 35.96.050, 35A.02.055, 35A.08.020, 35A.08.040, 35A.08.050, 35A.12.010, 35A.12.030, 35A.12.065, 35A.12.070, 35A.12.080, 35A.12.100, 35A.12.110, 35A.12.120, 35A.12.130, 35A.12.150, 35A.12.170, 35A.13.010, 35A.13.020, 35A.13.030, 35A.13.033, 35A.13.035, 35A.13.040, 35A.13.050, 35A.13.060, 35A.13.070, 35A.13.080, 35A.13.100, 35A.13.120, 35A.13.130, 35A.13.140, 35A.14.190, 35A.21.030, 35A.33.010, 35A.33.052, 35A.33.135, 35A.33.160, 35A.36.010, 35A.36.050, 35A.36.060, 35A.42.010, 35A.42.030, 35A.63.020, 35A.63.110, 36.08.020, 36.08.070, 36.08.090, 36.09.020, 36.09.040, 36.13.040, 36.16.040, 36.16.060, 36.16.070, 36.16.087, 36.16.120, 36.17.045, 36.17.050, 36.18.030, 36.18.050, 36.18.060, 36.18.070, 36.18.080, 36.18.090, 36.18.130, 36.18.160, 36.18.180, 36.22.030, 36.22.040, 36.22.050, 36.22.120, 36.22.150, 36.23.020, 36.23.040, 36.23.080, 36.24.010, 36.24.020, 36.24.040, 36.24.070, 36.24.080, 36.24.090, 36.24.110, 36.24.155, 36.24.170, 36.24.180, 36.26.050, 36.26.060, 36.26.070, 36.26.080, 36.27.010, 36.27.030, 36.27.040, 36.27.050, 36.27.070, 36.28.010, 36.28.020, 36.28.030, 36.28.040, 36.28.050, 36.28.090, 36.28.130, 36.28.150, 36.28.160, 36.28.170, 36.28.180, 36.29.025, 36.29.130, 36.32.050, 36.32.060, 36.32.100, 36.32.135, 36.32.310, 36.32.330, 36.33.070, 36.33.080, 36.33.190, 36.34.070, 36.34.150, 36.34.200, 36.35.180, 36.35.190,

36.35.220, 36.35.230, 36.35.240, 36.38.020, 36.40.010, 36.40.130, 36.40.210, 36.48.040, 36.48.050, 36.53.030, 36.53.040, 36.53.060, 36.53.100, 36.53.120, 36.53.130, 36.54.040, 36.54.060, 36.55.050, 36.57.050, 36.57.090, 36.57A.050, 36.57A.120, 36.63.255, 36.64.090, 36.67.530, 36.68.060, 36.69.120, 36.69.230, 36.69.370, 36.70.020, 36.70.080, 36.70.090, 36.70.110, 36.70.120, 36.70.150, 36.70.160, 36.70.170, 36.70.180, 36.70.250, 36.70.260, 36.70.400, 36.70.600, 36.70.850, 36.70.880, 36.71.020, 36.71.040, 36.71.050, 36.71.070, 36.76.120, 36.77.070, 36.78.090, 36.78.110, 36.79.160, 36.79.170, 36.80.015, 36.80.020, 36.80.030, 36.80.050, 36.80.060, 36.81.050, 36.81.060, 36.82.100, 36.87.040, 36.88.040, 36.88.130, 36.88.150, 36.88.200, 36.88.250, 36.88.270, 36.88.300, 36.88.330, 36.88.450, 36.90.030, 36.92.030, 36.93.070, 36.93.110, 36.93.160, 36.94.060, 36.94.290, 36.94.340, 36.95.060, 36.95.100, 36.95.110, 36.95.150, 36.95.160, 43.01.040, 43.01.050, 43.01.070, 43.03.011, 43.03.015, 43.03.020, 43.03.030, 43.03.110, 43.03.120, 43.03.170, 43.03.180, 43.03.200, 43.06.020, 43.06.040, 43.06.050, 43.06.055, 43.06.070, 43.06.080, 43.06.090, 43.06.110, 43.06.120, 43.06.200, 43.06.270, 43.07.010, 43.07.020, 43.07.030, 43.07.040, 43.07.050, 43.07.090, 43.07.110, 43.08.010, 43.08.020, 43.08.030, 43.08.040, 43.08.050, 43.08.062, 43.08.066, 43.08.068, 43.08.070, 43.08.080, 43.08.100, 43.08.120, 43.08.130, 43.08.135, 43.08.150, 43.10.010, 43.10.020, 43.10.030, 43.10.060, 43.10.080, 43.10.090, 43.10.110, 43.10.115, 43.10.120, 43.10.130, 43.10.160, 43.10.170, 43.17.030, 43.17.040, 43.17.050, 43.17.060, 43.17.100, 43.19.180, 43.19.1915, 43.19.1937, 43.19.200, 43.19.595, 43.19.600, 43.19.620, 43.19.630, 43.19.635, 43.20.030, 43.20A.040, 43.20A.110, 43.20A.310, 43.20A.320, 43.20A.415, 43.20A.605, 43.20A.635, 43.20A.660, 43.21A.050, 43.21A.067, 43.21A.090, 43.21A.100, 43.21A.140, 43.21A.600, 43.21A.605, 43.21A.610, 43.21A.620, 43.21A.630, 43.21B.020, 43.21B.050, 43.21B.060, 43.21B.080, 43.21C.010, 43.21C.020, 43.21E.010, 43.21F.405, 43.21G.080, 43.22.310, 43.22.400, 43.22.485, 43.23.015, 43.23.090, 43.23.110, 43.23.120, 43.23.130, 43.23.160, 43.24.090, 43.24.115, 43.27A.190, 43.33.040, 43.37.050, 43.37.120, 43.37.150, 43.37.160, 43.37.170, 43.41.060, 43.41.100, 43.41.106, 43.41.360, 43.43.040, 43.43.110, 43.43.120, 43.43.130, 43.43.135, 43.43.330, 43.43.350, 43.43.370, 43.43.735, 43.43.750, 43.43.815, 43.43.860, 43.46.090, 43.52.290, 43.52.374, 43.52.375, 43.52.378, 43.52A.050, 43.56.040, 43.59.010, 43.59.030, 43.59.060, 43.59.080, 43.70.210, 43.78.010, 43.78.020, 43.78.070, 43.79.074, 43.79.280, 43.79.303, 43.79.313, 43.79.323, 43.79.343, 43.79.393, 43.79A.020, 43.80.130, 43.82.140, 43.83B.220, 43.84.041, 43.84.120, 43.85.070, 43.85.190, 43.86A.020, 43.88.100, 43.89.040, 43.101.040, 43.101.050, 43.101.070, 43.115.040, 43.117.040, 43.117.050, 43.117.090, 43.126.025, 43.126.065, 43.130.040, 43.130.050, 43.336.020, 44.04.100, 44.04.120, 44.16.010, 44.16.030, 44.16.040, 44.16.070, 44.16.080, 44.16.090, 44.16.100, 44.16.120, 44.16.140, 44.16.160, 44.16.170, 44.20.060, 44.39.050, 44.39.060, 44.48.050, 44.48.060, 44.48.110, 48.02.010, 48.02.020, 48.02.030, 48.02.060, 48.02.080, 48.02.090, 48.02.100, 48.02.110, 48.02.130, 48.02.140, 48.02.150, 48.02.170, 48.03.030, 48.04.030, 48.05.110, 48.05.150, 48.05.160, 48.05.210, 48.05.290, 48.05.370, 48.06.050, 48.06.070, 48.06.100, 48.06.110, 48.06.180, 48.07.080, 48.07.150, 48.08.020, 48.08.090, 48.08.100, 48.08.110, 48.08.120, 48.08.130, 48.08.140, 48.08.170, 48.09.130, 48.09.160, 48.09.220, 48.09.230, 48.09.270, 48.10.140, 48.10.170, 48.10.200, 48.10.250, 48.10.260, 48.10.270, 48.10.280, 48.10.300, 48.10.330, 48.10.340, 48.11.080, 48.12.010, 48.12.080, 48.12.140, 48.13.350, 48.14.070, 48.15.100, 48.15.110, 48.15.120, 48.15.170, 48.16.080, 48.16.100, 48.17.430, 48.18.020, 48.18.050, 48.18.070, 48.18.090, 48.18.120, 48.18.130, 48.18.293, 48.18.340, 48.18.375, 48.18.400, 48.18.410, 48.18.420, 48.18.440, 48.18.450, 48.18A.020, 48.19.080, 48.19.090, 48.19.100, 48.19.110, 48.19.120, 48.19.180, 48.19.190, 48.19.220, 48.19.250, 48.19.290, 48.19.310, 48.19.330, 48.19.340, 48.19.350, 48.19.360, 48.19.370, 48.19.410, 48.20.062, 48.20.082, 48.20.172, 48.20.192, 48.20.222, 48.20.242, 48.21.060, 48.21.110, 48.21A.030, 48.21A.060, 48.22.030, 48.23.070, 48.24.120, 48.24.130, 48.24.140, 48.24.170, 48.24.180, 48.24.190, 48.24.200, 48.25.180, 48.25.190, 48.28.020, 48.30.020, 48.30.120, 48.30.130, 48.30.250, 48.31.010, 48.31.050, 48.31.060, 48.31.080, 48.31.090, 48.31.190, 48.31.210, 48.31.220, 48.31.230, 48.31.240, 48.31.270, 48.31.290, 48.31.310, 48.31.340, 48.31.350, 48.31.360, 48.32.080, 48.32.090, 48.32.110, 48.32.150, 48.32.170, 48.34.100, 48.34.120, 48.44.040, 48.44.090, 48.44.145, 48.44.160, 48.44.170, 48.46.040, 48.46.110, 48.46.120, 48.46.200, 48.46.240, 48.56.040, 48.56.050, 48.56.060, 48.56.110, 48.99.020, 48.99.050, and 48.99.060; creating a new section; and repealing RCW 35.18.005 and 35A.01.080.

Be it enacted by the Legislature of the State of Washington:

PART I

Sec. 1001. RCW 4.24.040 and Code 1881 s 1226 are each amended to read as follows:

If any person shall for any lawful purpose kindle a fire upon his or her own land, he or she shall do it at such time and in such manner, and shall take such care of it to prevent it from spreading and doing damage to other persons' property, as a prudent and careful ((~~man~~)) person would do, and if he or she fails so to do he or she shall be liable in an action on the case to any person suffering damage thereby to the full amount of such damage.

Sec. 1002. RCW 9A.08.010 and 1975 1st ex.s. c 260 s 9A.08.010 are each amended to read as follows:

(1) Kinds of Culpability Defined.

(a) **INTENT.** A person acts with intent or intentionally when he or she acts with the objective or purpose to accomplish a result which constitutes a crime.

(b) **KNOWLEDGE.** A person knows or acts knowingly or with knowledge when:

(i) he or she is aware of a fact, facts, or circumstances or result described by a statute defining an offense; or

(ii) he or she has information which would lead a reasonable ((~~man~~)) person in the same situation to believe that facts exist which facts are described by a statute defining an offense.

(c) **RECKLESSNESS.** A person is reckless or acts recklessly when he or she knows of and disregards a substantial risk that a wrongful act may occur and his or her disregard of such substantial risk is a gross deviation from conduct that a reasonable ((~~man~~)) person would exercise in the same situation.

(d) **CRIMINAL NEGLIGENCE.** A person is criminally negligent or acts with criminal negligence when he or she fails to be aware of a substantial risk that a wrongful act may occur and his or her failure to be aware of such substantial risk constitutes a gross deviation from the standard of care that a reasonable ((~~man~~)) person would exercise in the same situation.

(2) **Substitutes for Criminal Negligence, Recklessness, and Knowledge.** When a statute provides that criminal negligence suffices to establish an element of an offense, such element also is established if a person acts intentionally, knowingly, or recklessly. When recklessness suffices to establish an element, such element also is established if a person acts intentionally or knowingly. When acting knowingly suffices to establish an element, such element also is established if a person acts intentionally.

(3) **Culpability as Determinant of Grade of Offense.** When the grade or degree of an offense depends on whether the offense is committed intentionally, knowingly, recklessly, or with criminal negligence, its grade or degree shall be the lowest for which the determinative kind of culpability is established with respect to any material element of the offense.

(4) **Requirement of Wilfulness Satisfied by Acting Knowingly.** A requirement that an offense be committed wilfully is satisfied if a person acts knowingly with respect to the material elements of the offense, unless a purpose to impose further requirements plainly appears.

Sec. 1003. RCW 9A.76.010 and 2001 c 264 s 4 are each amended to read as follows:

The following definitions are applicable in this chapter unless the context otherwise requires:

(1) "Custody" means restraint pursuant to a lawful arrest or an order of a court, or any period of service on a work crew: PROVIDED, That custody pursuant to chapter 13.34 RCW and RCW 74.13.020 and 74.13.031 and chapter 13.32A RCW shall not be deemed custody for purposes of this chapter;

(2) "Detention facility" means any place used for the confinement of a person (a) arrested for, charged with or convicted of an offense, or (b) charged with being or adjudicated to be a juvenile offender as defined in RCW 13.40.020 as now existing or hereafter amended, or (c) held for extradition or as a material witness, or (d) otherwise confined pursuant to an order of a court, except an order under chapter 13.34 RCW or chapter 13.32A RCW, or (e) in any work release, furlough, or other such facility or program;

(3) "Contraband" means any article or thing which a person confined in a detention facility is prohibited from obtaining or possessing by statute, rule, regulation, or order of a court;

(4) "Uncontrollable circumstances" means an act of nature such as a flood, earthquake, or fire, or a medical condition that requires immediate hospitalization or treatment, or an act of ((~~man~~)) a human being such as an automobile accident or threats of death, forcible sexual attack, or substantial bodily injury in the immediate future for which there is no time for a complaint to the authorities and no time or opportunity to resort to the courts.

Sec. 1004. RCW 11.28.090 and 1965 c 145 s 11.28.090 are each amended to read as follows:

Letters testamentary to be issued to executors under the provisions of this chapter shall be signed by the clerk, and issued under the seal of the court, and may be in the following form:

State of Washington, county of

In the superior court of the county of

Whereas, the last will of A B, deceased, was, on the day of, A.D.,, duly exhibited, proven, and recorded in our said superior court; and whereas, it appears in and by said will that C D is appointed executor thereon, and, whereas, said C D has duly qualified, now, therefore, know all ((~~men~~)) persons by these presents, that we do hereby authorize the said C D to execute said will according to law.

Witness my hand and the seal of said court this day of, A.D., 19. . .

Sec. 1005. RCW 11.28.140 and 1965 c 145 s 11.28.140 are each amended to read as follows:

Letters of administration shall be signed by the clerk, and be under the seal of the court, and may be substantially in the following form:

State of Washington, County of

Whereas, A.B., late of on or about the day of A.D., died intestate, leaving at the time of his or her death, property in this state subject to administration: Now, therefore, know all ((~~men~~)) persons by these presents, that we do hereby appoint administrator upon said estate, and whereas said administrator has duly qualified, hereby authorize him or her to administer the same according to law.

Witness my hand and the seal of said court this day of A.D., 19. . .

Sec. 1006. RCW 14.12.010 and 1945 c 174 s 1 are each amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Airports" means any area of land or water designed and set aside for the landing and taking-off of aircraft and utilized or to be utilized in the interest of the public for such purposes.

(2) "Airport hazard" means any structure or tree or use of land which obstructs the airspace required for the flight of aircraft in landing or taking-off at an airport or is otherwise hazardous to such landing or taking-off of aircraft.

(3) "Airport hazard area" means any area of land or water upon which an airport hazard might be established if not prevented as provided in this chapter.

(4) "Political subdivision" means any county, city, town, port district or other municipal or quasi municipal corporation authorized by law to acquire, own or operate an airport.

(5) "Person" means any individual, firm, copartnership, corporation, company, association, joint stock association or body politic, including the state and its political subdivisions, and includes any trustee, receiver, assignee, or other similar representative thereof.

(6) "Structure" means any object constructed or installed by ~~((man))~~ a human being, including, but without limitation, buildings, towers, smokestacks, and overhead transmission lines.

(7) "Tree" means any object of natural growth.

Sec. 1007. RCW 15.65.020 and 2002 c 313 s 1 are each amended to read as follows:

The following terms are hereby defined:

(1) "Director" means the director of agriculture of the state of Washington or his or her duly appointed representative. The phrase "director or his or her designee" means the director unless, in the provisions of any marketing agreement or order, he or she has designated an administrator, board, or other designee to act in the matter designated, in which case "director or his or her designee" means for such order or agreement the administrator, board, or other person(s) so designated and not the director.

(2) "Department" means the department of agriculture of the state of Washington.

(3) "Marketing order" means an order adopted by the director under this chapter that establishes a commodity board for an agricultural commodity or agricultural commodities with like or common qualities or producers.

(4) "Marketing agreement" means an agreement entered into and issued by the director pursuant to this chapter.

(5) "Agricultural commodity" means any of the following commodities or products: Llamas, alpacas, or any other animal or any distinctive type of agricultural, horticultural, viticultural, floricultural, vegetable, or animal product, including, but not limited to, products qualifying as organic food products under chapter 15.86 RCW and private sector cultured aquatic products as defined in RCW 15.85.020 and other fish and fish products, either in its natural or processed state, including beehives containing bees and honey and

Christmas trees but not including timber or timber products. The director is hereby authorized to determine (on the basis of common usage and practice) what kinds, types or sub-types should be classed together as an agricultural commodity for the purposes of this chapter.

(6) "Production area" and "marketing area" means any area defined as such in any marketing order or agreement in accordance with RCW 15.65.350. "Affected area" means the marketing or production area so defined in such order, agreement or proposal.

(7) "Unit" of an agricultural commodity means a unit of volume, weight, quantity, or other measure in which such commodity is commonly measured. The director shall designate in each marketing order and agreement the unit to be used therein.

(8) "Affected unit" means in the case of marketing agreements and orders drawn on the basis of a production area, any unit of the commodity specified in or covered by such agreement or order which is produced in such area and sold or marketed or delivered for sale or marketing; and "affected unit" means, in the case of marketing agreements and orders drawn on the basis of marketing area, any unit of the commodity specified in or covered by such agreement or order which is stored in frozen condition or sold or marketed or delivered for sale or marketing within such marketing area: PROVIDED, That in the case of marketing agreements "affected unit" shall include only those units which are produced by producers or handled by handlers who have assented to such agreement.

(9) "Affected commodity" means that part or portion of any agricultural commodity which is covered by or forms the subject matter of any marketing agreement or order or proposal, and includes all affected units thereof as herein defined and no others.

(10) "Producer" means any person engaged in the business of producing any agricultural commodity for market in commercial quantities. "Affected producer" means any producer who is subject to a marketing order or agreement. "To produce" means to act as a producer. For the purposes of RCW 15.65.140 and 15.65.160 as now or hereafter amended "producer" shall include bailees who contract to produce or grow any agricultural product on behalf of a bailor who retains title to the seed and its resulting agricultural product or the agricultural product delivered for further production or increase.

(11) "Handler" means any person who acts, either as principal, agent or otherwise, in processing, selling, marketing or distributing an agricultural commodity or storage of a frozen agricultural commodity which was not produced by him or her. "Handler" does not mean a common carrier used to transport an agricultural commodity. "Affected handler" means any handler of an affected commodity. "To handle" means to act as a handler.

(12) "Producer-handler" means any person who acts both as a producer and as a handler with respect to any agricultural commodity. A producer-handler shall be deemed to be a producer with respect to the agricultural commodities which he or she produces, and a handler with respect to the agricultural commodities which he or she handles, including those produced by himself or herself.

(13) "Cooperative association" means any incorporated or unincorporated association of producers which conforms to the qualifications set out in the act

of congress of the United States of February 18, 1922 as amended, known as the "Capper-Volstead Act" and which is engaged in making collective sales or in marketing any agricultural commodity or product thereof or in rendering service for or advancing the interests of the producers of such commodity on a nonprofit cooperative basis.

(14) "Member of a cooperative association" means any producer who markets his or her product through such cooperative association and who is a voting stockholder of or has a vote in the control of or is a party to a marketing agreement with such cooperative association with respect to such product.

(15) "Producer marketing" or "marketed by producers" means any or all operations performed by any producer or cooperative association of producers in preparing for market and marketing, and shall include: (a) selling any agricultural commodity produced by such producer(s) to any handler; (b) delivering any such commodity or otherwise disposing of it for commercial purposes to or through any handler.

(16) "Commercial quantities" as applied to producers and/or production means such quantities per year (or other period of time) of an agricultural commodity as the director finds are not less than the minimum which a prudent ((~~man~~)) person engaged in agricultural production would produce for the purpose of making such quantity of such commodity a substantial contribution to the economic operation of the farm on which such commodity is produced. "Commercial quantities" as applied to handlers and/or handling means such quantities per year (or other period of time) of an agricultural commodity or product thereof as the director finds are not less than the minimum which a prudent ((~~man~~)) person engaged in such handling would handle for the purpose of making such quantity a substantial contribution to the handling operation in which such commodity or product thereof is so handled. In either case the director may in his or her discretion: (a) Determine that substantial quantity is any amount above zero; and (b) apply the quantity so determined on a uniform rule applicable alike to all persons which he or she finds to be similarly situated.

(17) "Commodity board" means any board established pursuant to RCW 15.65.220. "Board" means any such commodity board unless a different board is expressly specified.

(18) "Sell" includes offer for sale, expose for sale, have in possession for sale, exchange, barter or trade.

(19) "Section" means a section of this chapter unless some other statute is specifically mentioned. The present includes the past and future tenses, and the past or future the present. The masculine gender includes the feminine and neuter. The singular number includes the plural and the plural includes the singular.

(20) "Represented in a referendum" means that a written document evidencing approval or assent or disapproval or dissent is duly and timely filed with or mailed to the director by or on behalf of an affected producer and/or a volume of production of an affected commodity in a form which the director finds meets the requirements of this chapter. "Referendum" means a vote by the affected parties or affected producers which is conducted by secret ballot.

(21) "Person" means any individual, firm, corporation, limited liability company, trust, association, partnership, society, or any other organization of individuals, or any unit or agency of local, state, or federal government.

(22) "Affected parties" means any producer, affected producer, handler, or commodity board member.

(23) "Assessment" means the monetary amount established in a marketing order or agreement that is to be paid by each affected producer to a commodity board in accordance with the schedule established in the marketing order or agreement.

(24) "List of affected parties" means a list containing the names and mailing addresses of affected parties. This list shall contain the names and addresses of all affected parties and, if requested by the director, the amount, by unit, of the affected commodity produced during a designated period under this chapter.

(25) "List of affected producers" means a list containing the names and mailing addresses of affected producers. This list shall contain the names and addresses of all affected producers and, if requested by the director, the amount, by unit, of the affected commodity produced during a designated period under this chapter.

(26) "List of affected handlers" means a list containing the names and addresses of affected handlers. This list shall contain the names and addresses of all affected handlers and, if requested by the director, the amount, by unit, of the affected commodity handled during a designated period under this chapter.

(27) "Mail" or "send" for purposes of any notice relating to rule making, referenda, or elections means regular mail or electronic distribution, as provided in RCW 34.05.260 for rule making. "Electronic distribution" or "electronically" means distribution by electronic mail or facsimile mail.

(28) "Percent by numbers" means the percent of those persons on the list of affected parties or affected producers.

(29) "Rule-making proceedings" means the rule-making provisions as outlined in chapter 34.05 RCW.

(30) "Vacancy" means that a board member leaves or is removed from a board position prior to the end of a term, or a nomination process for the beginning of a term concludes with no candidates for a position.

(31) "Volume of production" means the percent of the average volume of production of the affected commodity of those on the list of affected parties or affected producers for a production period. For the purposes of this chapter, a production period is a minimum three-year period or as specified in the marketing order or agreement.

Sec. 1008. RCW 18.64.011 and 1997 c 129 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, definitions of terms shall be as indicated when used in this chapter.

(1) "Person" means an individual, corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(2) "Board" means the Washington state board of pharmacy.

(3) "Drugs" means:

(a) Articles recognized in the official United States pharmacopoeia or the official homeopathic pharmacopoeia of the United States;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in ((man)) human beings or other animals;

(c) Substances (other than food) intended to affect the structure or any function of the body of ~~((man))~~ human beings or other animals; or

(d) Substances intended for use as a component of any substances specified in (a), (b), or (c) of this subsection, but not including devices or their component parts or accessories.

(4) "Device" means instruments, apparatus, and contrivances, including their components, parts, and accessories, intended (a) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in ~~((man))~~ human beings or other animals, or (b) to affect the structure or any function of the body of ~~((man))~~ human beings or other animals.

(5) "Nonlegend" or "nonprescription" drugs means any drugs which may be lawfully sold without a prescription.

(6) "Legend drugs" means any drugs which are required by any applicable federal or state law or regulation to be dispensed on prescription only or are restricted to use by practitioners only.

(7) "Controlled substance" means a drug or substance, or an immediate precursor of such drug or substance, so designated under or pursuant to the provisions of chapter 69.50 RCW.

(8) "Prescription" means an order for drugs or devices issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe drugs or devices in the course of his or her professional practice for a legitimate medical purpose.

(9) "Practitioner" means a physician, dentist, veterinarian, nurse, or other person duly authorized by law or rule in the state of Washington to prescribe drugs.

(10) "Pharmacist" means a person duly licensed by the Washington state board of pharmacy to engage in the practice of pharmacy.

(11) "Practice of pharmacy" includes the practice of and responsibility for: Interpreting prescription orders; the compounding, dispensing, labeling, administering, and distributing of drugs and devices; the monitoring of drug therapy and use; the initiating or modifying of drug therapy in accordance with written guidelines or protocols previously established and approved for his or her practice by a practitioner authorized to prescribe drugs; the participating in drug utilization reviews and drug product selection; the proper and safe storing and distributing of drugs and devices and maintenance of proper records thereof; the providing of information on legend drugs which may include, but is not limited to, the advising of therapeutic values, hazards, and the uses of drugs and devices.

(12) "Pharmacy" means every place properly licensed by the board of pharmacy where the practice of pharmacy is conducted.

(13) The words "drug" and "devices" shall not include surgical or dental instruments or laboratory materials, gas and oxygen, therapy equipment, X-ray apparatus or therapeutic equipment, their component parts or accessories, or equipment, instruments, apparatus, or contrivances used to render such articles effective in medical, surgical, or dental treatment, or for use or consumption in or for mechanical, industrial, manufacturing, or scientific applications or purposes, nor shall the word "drug" include any article or mixture covered by the Washington pesticide control act (chapter 15.58 RCW), as enacted or hereafter

amended, nor medicated feed intended for and used exclusively as a feed for animals other than ~~((man))~~ human beings.

(14) The word "poison" shall not include any article or mixture covered by the Washington pesticide control act (chapter 15.58 RCW), as enacted or hereafter amended.

(15) "Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a drug or device, whether or not there is an agency relationship.

(16) "Dispense" means the interpretation of a prescription or order for a drug, biological, or device and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(17) "Distribute" means the delivery of a drug or device other than by administering or dispensing.

(18) "Compounding" shall be the act of combining two or more ingredients in the preparation of a prescription.

(19) "Wholesaler" shall mean a corporation, individual, or other entity which buys drugs or devices for resale and distribution to corporations, individuals, or entities other than consumers.

(20) "Manufacture" means the production, preparation, propagation, compounding, or processing of a drug or other substance or device or the packaging or repackaging of such substance or device, or the labeling or relabeling of the commercial container of such substance or device, but does not include the activities of a practitioner who, as an incident to his or her administration or dispensing such substance or device in the course of his or her professional practice, prepares, compounds, packages, or labels such substance or device.

(21) "Manufacturer" shall mean a person, corporation, or other entity engaged in the manufacture of drugs or devices.

(22) "Labeling" shall mean the process of preparing and affixing a label to any drug or device container. The label must include all information required by current federal and state law and pharmacy rules.

(23) "Administer" means the direct application of a drug or device, whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject.

(24) "Master license system" means the mechanism established by chapter 19.02 RCW by which master licenses, endorsed for individual state-issued licenses, are issued and renewed utilizing a master application and a master license expiration date common to each renewable license endorsement.

(25) "Department" means the department of health.

(26) "Secretary" means the secretary of health or the secretary's designee.

(27) "Health care entity" means an organization that provides health care services in a setting that is not otherwise licensed by the state. Health care entity includes a free-standing outpatient surgery center or a free-standing cardiac care center. It does not include an individual practitioner's office or a multipractitioner clinic.

Sec. 1009. RCW 19.06.010 and 1961 c 56 s 1 are each amended to read as follows:

Products made by blind persons and sold or distributed in this state as blind made may bear a label affixed directly to the product reading "MADE BY THE BLIND" and shall show the distributor's or manufacturer's name. Any product bearing such label shall have been made by blind people to the extent of at least seventy-five percent of the ((man)) labor hours required for its manufacture. No other label, trade name or sales device tending to create the impression that a product is made by blind persons shall be used in connection with the sale or distribution of such product unless the product shall have been made by blind people to the extent of at least seventy-five percent of the ((man)) labor hours required for its manufacture.

Sec. 1010. RCW 19.210.010 and 2001 c 160 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Unused property market" means any event:

(i) At which two or more persons offer personal property for sale or exchange and at which (A) these persons are charged a fee for sale or exchange of personal property or (B) prospective buyers are charged a fee for admission to the area at which personal property is offered or displayed for sale or exchange; or

(ii) Regardless of the number of persons offering or displaying personal property or the absence of fees, at which personal property is offered or displayed for sale or exchange if the event is held more than six times in any twelve-month period.

(b) "Unused property market" is interchangeable with and applicable to swap meet, indoor swap meet, flea market, or other similar terms, regardless of whether these events are held inside a building or outside in the open. The primary characteristic is that these activities involve a series of sales sufficient in number, scope, and character to constitute a regular course of business.

(c) "Unused property market" does not include:

(i) An event that is organized for the exclusive benefit of any community chest, fund, foundation, association, or corporation organized and operated for religious, educational, or charitable purposes, provided that no part of any admission fee or parking fee charged vendors or prospective purchasers or the gross receipts or net earnings from the sale or exchange of personal property, whether in the form of a percentage of the receipts or earnings, as salary, or otherwise, inures to the benefit of any private shareholder or person participating in the organization or conduct of the event; or

(ii) An event at which all of the personal property offered for sale or displayed is new, and all persons selling or exchanging personal property, or offering or displaying personal property for sale or exchange, are manufacturers or authorized representatives of manufacturers or distributors.

(2) "Unused property merchant" means any person, other than a vendor or merchant with an established retail store in the county, who transports an inventory of goods to a building, vacant lot, or other unused property market location and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail, except a person who offers five or

fewer items of the same new and unused merchandise for sale or exchange at an unused property market.

(3) "Baby food" or "infant formula" means any food manufactured, packaged, and labeled specifically for sale for consumption by a child under the age of two years.

(4) "Nonprescription drug," which may also be referred to as an over-the-counter drug, means any nonnarcotic medicine or drug that may be sold without a prescription and is prepackaged for use by the consumer, prepared by the manufacturer or producer for use by the consumer, and required to be properly labeled and unadulterated in accordance with the requirements of the state food and drug laws and the federal food, drug, and cosmetic act. "Nonprescription drug" does not include herbal products, dietary supplements, botanical extracts, or vitamins.

(5) "Medical device" means any instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, tool, or other similar or related article, including any component part or accessory, which is required under federal law to bear the label "caution: federal law requires dispensing by or on the order of a physician"; or which is defined by federal law as a medical device and is intended for use in the diagnosis of disease or other conditions or in the cure, mitigation, treatment, or prevention of disease in ~~((man))~~ human beings or animals or is intended to affect the structure or any function of the body of ~~((man))~~ human beings or animals, which does not achieve any of its principal intended purposes through chemical action within or on the body of ~~((man))~~ human beings or animals and which is not dependent upon being metabolized for achievement of any of its principal intended purposes.

Sec. 1011. RCW 38.04.020 and 1989 c 19 s 2 are each amended to read as follows:

Whenever used in this title, the word "officer" shall be understood to designate commissioned and warrant officers, and the words ~~(("enlisted men" or))~~ "enlisted persons" shall be understood to designate members of the organized militia of Washington other than commissioned or warrant officers. The convictions and punishments mentioned unless otherwise specifically designated, shall be understood to be respectively convictions and punishments by military courts.

Sec. 1012. RCW 38.16.030 and 1991 c 43 s 3 are each amended to read as follows:

The inactive national guard of this state shall respectively be organized by the governor in regulations in conformance with the laws, rules and regulations of the United States. It shall consist of such organizations, officers and enlisted ~~((men))~~ persons as the governor shall prescribe. No commissioned officer shall be transferred or furloughed to the inactive national guard without the officer's written consent, except as otherwise expressly provided by law. Any officer of the inactive national guard may be restored to the active list by order of the governor, subject to the same examination as in the case of an original appointment to his or her rank, and in such event his or her service in the inactive national guard shall not be counted in computing total length of service for relative seniority.

Sec. 1013. RCW 49.24.140 and 1941 c 194 s 7 are each amended to read as follows:

(1) Each bulkhead in tunnels of twelve feet or more in diameter or equivalent area, shall have at least two locks in perfect working condition, one of which shall be used as ~~((a-man))~~ an air lock. An additional lock for use in case of emergency shall be held in reserve.

(2) The ~~((man))~~ air lock shall be large enough so that those using it are not compelled to be in a cramped position, and shall not be less than five feet in height. Emergency locks shall be large enough to hold an entire heading shift.

(3) All locks used for decompression shall be lighted by electricity and shall contain a pressure gauge, a time piece, a glass "bull's eye" in each door or in each end, and shall also have facilities for heating.

(4) Valves shall be so arranged that the locks can be operated both from within and from without.

Sec. 1014. RCW 49.24.150 and 1941 c 194 s 8 are each amended to read as follows:

When locking explosives and detonators into the air chamber, they shall be kept at opposite ends of the lock. While explosives and detonators are being taken through, no ~~((men))~~ persons other than the lock tender and the carriers shall be permitted in the lock.

Sec. 1015. RCW 49.24.220 and 1941 c 194 s 15 are each amended to read as follows:

(1) No greater quantity of explosives than that which is required for immediate use shall be taken into the working chamber.

(2) Explosives shall be conveyed in a suitable covered wooden box.

(3) Detonators shall be conveyed in a separate covered wooden box.

(4) Explosives and detonators shall be taken separately into the caissons.

(5) After blasting is completed, all explosives and detonators shall be returned at once to the magazine.

(6) No naked light shall be used in the vicinity of open chests or magazines containing explosives, nor near where a charge is being primed.

(7) No tools or other articles shall be carried with the explosives or with the detonators.

(8) All power lines and electric light wires shall be disconnected at a point outside the blasting switch before the loading of holes. No current by grounding of power or bonded rails shall be allowed beyond blasting switch after explosives are taken in preparatory to blasting, and under no circumstances shall grounded current be used for exploding blasts.

(9) Before drilling is commenced on any shift, all remaining holes shall be examined with a wooden stick for unexploded charges or cartridges, and if any are found, same shall be refired before work proceeds.

(10) No person shall be allowed to deepen holes that have previously contained explosives.

(11) All wires in broken rock shall be carefully traced and search made for unexploded cartridges.

(12) Whenever blasting is being done in a tunnel, at points liable to break through to where other ~~((men))~~ persons are at work, the ~~((foreman-or))~~ person in charge shall, before any holes are loaded, give warning of danger to all persons

that may be working where the blasts may break through, and he or she shall not allow any holes to be charged until warning is acknowledged and ~~((men))~~ persons are removed.

(13) Blasters when testing circuit through charged holes shall use sufficient leading wires to be at a safe distance and shall use only approved types of galvanometers. No tests of circuits in charged holes shall be made until ~~((men))~~ persons are removed to safe distance.

(14) No blasts shall be fired with fuse, except electrically ignited fuse, in vertical or steep shafts.

(15) In shaft sinking where the electric current is used for firing, a separate switch not controlling any electric lights must be used for blasting and proper safeguard similar to those in tunnels must be followed in order to insure against premature firing.

Sec. 1016. RCW 62A.7-204 and 1981 c 13 s 1 are each amended to read as follows:

(1) A ~~((warehouseman))~~ warehouse worker is liable for damages for loss of or injury to the goods caused by his or her failure to exercise such care in regard to them as a reasonably careful ~~((man))~~ person would exercise under like circumstances but unless otherwise agreed he or she is not liable for damages which could not have been avoided by the exercise of such care.

(2) Damages may be limited by a term in the warehouse receipt or storage agreement limiting the amount of liability in case of loss or damage, and setting forth a specific liability per article or item, or value per unit of weight, beyond which the ~~((warehouseman))~~ warehouse worker shall not be liable; provided, however, that such liability may on written request of the bailor at the time of signing such storage agreement or within a reasonable time after receipt of the warehouse receipt be increased on part or all of the goods thereunder, in which event increased rates may be charged based on such increased valuation, but that no such increase shall be permitted contrary to a lawful limitation of liability contained in the ~~((warehouseman's))~~ warehouse worker's tariff, if any. No such limitation is effective with respect to the ~~((warehouseman's))~~ warehouse worker's liability for conversion to his or her own use.

(3) Reasonable provisions as to the time and manner of presenting claims and instituting actions based on the bailment may be included in the warehouse receipt or tariff.

(4) This section does not impair or repeal the duties of care or liabilities or penalties for breach thereof as provided in chapters 22.09 and 22.32 RCW.

Sec. 1017. RCW 62A.7-309 and 1965 ex.s. c 157 s 7-309 are each amended to read as follows:

Save as otherwise provided in RCW 81.29.010 and 81.29.020

(1) A carrier who issues a bill of lading whether negotiable or non-negotiable must exercise the degree of care in relation to the goods which a reasonably careful ~~((man))~~ person would exercise under like circumstances.

(2) Damages may be limited by a provision that the carrier's liability shall not exceed a value stated in the document if the carrier's rates are dependent upon value and the consignor by the carrier's tariff is afforded an opportunity to declare a higher value or a value as lawfully provided in the tariff, or where no tariff is filed he or she is otherwise advised of such opportunity; but no such

limitation is effective with respect to the carrier's liability for conversion to its own use.

(3) Reasonable provisions as to the time and manner of presenting claims and instituting actions based on the shipment may be included in a bill of lading or tariff.

Sec. 1018. RCW 69.04.009 and 1945 c 257 s 10 are each amended to read as follows:

The term "drug" means (1) articles recognized in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them; and (2) articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in ((~~man~~)) human beings or other animals; and (3) articles (other than food) intended to affect the structure or any function of the body of ((~~man~~)) human beings or other animals; and (4) articles intended for use as a component of any article specified in clause (1), (2), or (3); but does not include devices or their components, parts, or accessories.

Sec. 1019. RCW 69.04.010 and 1945 c 257 s 11 are each amended to read as follows:

The term "device" (except when used in RCW 69.04.016 and in RCW 69.04.040(10), 69.04.270, 69.04.690, and in RCW 69.04.470 as used in the sentence "(as compared with other words, statements, designs, or devices, in the labeling)") means instruments, apparatus, and contrivances, including their components, parts and accessories, intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in ((~~man~~)) human beings or other animals; or (2) to affect the structure or any function of the body of ((~~man~~)) human beings or other animals.

Sec. 1020. RCW 69.04.024 and 1963 c 198 s 11 are each amended to read as follows:

(1) The term "food additive" means any substance the intended use of which results or may reasonably be expected to result, directly or indirectly, in its becoming a component or otherwise affecting the characteristics of any food (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food; and including any source of radiation intended for any such use), if such substance generally is recognized, among experts qualified by scientific training and experience to evaluate its safety, as having been adequately shown through scientific procedures (or, in the case of a substance used in food prior to January 1, 1958; through either scientific procedures or experience based on common use in food) to be unsafe under the conditions of its intended use; except that such term does not include; (a) a pesticide chemical in or on a raw agricultural commodity; or (b) a pesticide chemical to the extent that it is intended for use or is used in the production, storage, or transportation of any raw agricultural commodity; or (c) a color additive.

(2) The term "safe" as used in the food additive definition has reference to the health of ((~~man~~)) human beings or animals.

Sec. 1021. RCW 69.04.394 and 1975 1st ex.s. c 7 s 27 are each amended to read as follows:

(1) A food additive shall, with respect to any particular use or intended use of such additives, be deemed unsafe for the purpose of the application of clause (2)(c) of RCW 69.04.210, unless:

(a) It and its use or intended use conform to the terms of an exemption granted, pursuant to a regulation under subsection (2) hereof providing for the exemption from the requirements of this section for any food additive, and any food bearing or containing such additive, intended solely for investigational use by qualified experts when in the director's opinion such exemption is consistent with the public health; or

(b) There is in effect, and it and its use or intended use are in conformity with a regulation issued or effective under subsection (2) hereof prescribing the conditions under which such additive may be safely used.

While such a regulation relating to a food additive is in effect, a food shall not, by reason of bearing or containing such an additive in accordance with the regulation, be considered adulterated within the meaning of clause (1) of RCW 69.04.210.

(2) The regulations promulgated under section 409 of the Federal Food, Drug and Cosmetic Act, as of July 1, 1975, prescribing the conditions under which such food additive may be safely used, are hereby adopted as the regulations applicable to this chapter: PROVIDED, That the director is hereby authorized to adopt by regulation any new or future amendments to the federal regulations. The director is also authorized to issue regulations in the absence of federal regulations and to prescribe the conditions under which a food additive may be safely used and exemptions where such food additive is to be used solely for investigational purposes; either upon his or her own motion or upon the petition of any interested party requesting that such a regulation be established. It shall be incumbent upon such petitioner to establish, by data submitted to the director, that a necessity exists for such regulation and that the effect of such a regulation will not be detrimental to the public health. If the data furnished by the petitioner is not sufficient to allow the director to determine whether such a regulation should be promulgated, the director may require additional data to be submitted and failure to comply with this request shall be sufficient grounds to deny the request of the petitioner for the issuance of such a regulation.

(3) In adopting any new or amended regulations pursuant to this section, the director shall give appropriate consideration, among other relevant factors, to the following: (a) The purpose of this chapter being to promote uniformity of state legislation with the federal act; (b) the probable consumption of the additive and of any substance formed in or on food because of the use of the additive; (c) the cumulative effect of such additive in the diet of (~~man~~) human beings or animals, taking into account any chemically or pharmacologically related substance or substances in such diet; and (d) safety factors which in the opinion of experts qualified by scientific training and experience to evaluate the safety of food additives are generally recognized as appropriate for the use of animal experimentation data.

Sec. 1022. RCW 69.04.396 and 1975 1st ex.s. c 7 s 28 are each amended to read as follows:

(1) A color additive shall, with respect to any particular use (for which it is being used or intended to be used or is represented as suitable) in or on food, be deemed unsafe for the purpose of the application of RCW 69.04.231, unless:

(a) There is in effect, and such color additive and such use are in conformity with, a regulation issued under this section listing such additive for such use, including any provision of such regulation prescribing the conditions under which such additive may be safely used;

(b) Such additive and such use thereof conform to the terms of an exemption for experimental use which is in effect pursuant to regulation under this section.

While there are in effect regulations under this section relating to a color additive or an exemption with respect to such additive a food shall not, by reason of bearing or containing such additive in all respects in accordance with such regulations or such exemption, be considered adulterated within the meaning of clause (1) of RCW 69.04.210.

(2) The regulations promulgated under section 706 of the Federal Food, Drug and Cosmetic Act, as of July 1, 1975, prescribing the use or limited use of such color additive, are hereby adopted as the regulations applicable to this chapter: PROVIDED, That the director is hereby authorized to adopt by regulation any new or future amendments to the federal regulations. The director is also authorized to issue regulations in the absence of federal regulations and to prescribe therein the conditions under which a color additive may be safely used including exemptions for experimental purposes. Such a regulation may be issued either upon the director's own motion or upon the petition of any interested party requesting that such a regulation be established. It shall be incumbent upon such petitioner to establish, by data submitted to the director, that a necessity exists for such regulation and that the effect of such a regulation will not be detrimental to the public health. If the data furnished by the petitioner is not sufficient to allow the director to determine whether such a regulation should be promulgated, the director may require additional data to be submitted and failure to comply with this request shall be sufficient grounds to deny the request of the petitioner for the issuance of such a regulation.

(3) In adopting any new or amended regulations pursuant to this section, the director shall give appropriate consideration, among other relevant factors, to the following: (a) The purpose of this chapter being to promote uniformity of state legislation with the federal act; (b) the probable consumption of, or other relevant exposure from, the additive and of any substance formed in or on food because of the use of the additive; (c) the cumulative effect, if any, of such additive in the diet of ~~((man))~~ human beings or animals, taking into account the same or any chemically or pharmacologically related substance or substances in such diet; (d) safety factors which, in the opinion of experts qualified by scientific training and experience to evaluate the safety of color additives for the use or uses for which the additive is proposed to be listed, are generally recognized as appropriate for the use of animal experimentation data; (e) the availability of any needed practicable methods of analysis for determining the identity and quantity of (i) the pure dye and all intermediates and other impurities contained in such color additives, (ii) such additive in or on any article of food, and (iii) any substance formed in or on such article because of the

use of such additive; and (f) the conformity by the manufacturer with the established standards in the industry relating to the proper formation of such color additive so as to result in a finished product safe for use as a color additive.

Sec. 1023. RCW 69.04.480 and 1945 c 257 s 66 are each amended to read as follows:

A drug or device shall be deemed to be misbranded if it is for use by ~~((man))~~ human beings and contains any quantity of the narcotic or hypnotic substance alpha eucaine, barbituric acid, beta eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marijuana, morphine, opium, paraldehyde, peyote, or sulphomethane; or any chemical derivative of such substance, which derivative has been designated as habit forming by regulations promulgated under section 502(d) of the federal act; unless its label bears the name and quantity or proportion of such substance or derivative and in juxtaposition therewith the statement "Warning—May be habit forming."

Sec. 1024. RCW 69.41.010 and 2006 c 8 s 115 are each amended to read as follows:

As used in this chapter, the following terms have the meanings indicated unless the context clearly requires otherwise:

(1) "Administer" means the direct application of a legend drug whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by:

(a) A practitioner; or

(b) The patient or research subject at the direction of the practitioner.

(2) "Community-based care settings" include: Community residential programs for the developmentally disabled, certified by the department of social and health services under chapter 71A.12 RCW; adult family homes licensed under chapter 70.128 RCW; and boarding homes licensed under chapter 18.20 RCW. Community-based care settings do not include acute care or skilled nursing facilities.

(3) "Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a legend drug, whether or not there is an agency relationship.

(4) "Department" means the department of health.

(5) "Dispense" means the interpretation of a prescription or order for a legend drug and, pursuant to that prescription or order, the proper selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(6) "Dispenser" means a practitioner who dispenses.

(7) "Distribute" means to deliver other than by administering or dispensing a legend drug.

(8) "Distributor" means a person who distributes.

(9) "Drug" means:

(a) Substances recognized as drugs in the official United States pharmacopoeia, official homeopathic pharmacopoeia of the United States, or official national formulary, or any supplement to any of them;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in ~~((man))~~ human beings or animals;

(c) Substances (other than food, minerals or vitamins) intended to affect the structure or any function of the body of ~~((man))~~ human beings or animals; and

(d) Substances intended for use as a component of any article specified in (a), (b), or (c) of this subsection. It does not include devices or their components, parts, or accessories.

(10) "Electronic communication of prescription information" means the communication of prescription information by computer, or the transmission of an exact visual image of a prescription by facsimile, or other electronic means for original prescription information or prescription refill information for a legend drug between an authorized practitioner and a pharmacy or the transfer of prescription information for a legend drug from one pharmacy to another pharmacy.

(11) "In-home care settings" include an individual's place of temporary and permanent residence, but does not include acute care or skilled nursing facilities, and does not include community-based care settings.

(12) "Legend drugs" means any drugs which are required by state law or regulation of the state board of pharmacy to be dispensed on prescription only or are restricted to use by practitioners only.

(13) "Legible prescription" means a prescription or medication order issued by a practitioner that is capable of being read and understood by the pharmacist filling the prescription or the nurse or other practitioner implementing the medication order. A prescription must be hand printed, typewritten, or electronically generated.

(14) "Medication assistance" means assistance rendered by a nonpractitioner to an individual residing in a community-based care setting or in-home care setting to facilitate the individual's self-administration of a legend drug or controlled substance. It includes reminding or coaching the individual, handing the medication container to the individual, opening the individual's medication container, using an enabler, or placing the medication in the individual's hand, and such other means of medication assistance as defined by rule adopted by the department. A nonpractitioner may help in the preparation of legend drugs or controlled substances for self-administration where a practitioner has determined and communicated orally or by written direction that such medication preparation assistance is necessary and appropriate. Medication assistance shall not include assistance with intravenous medications or injectable medications, except prefilled insulin syringes.

(15) "Person" means individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(16) "Practitioner" means:

(a) A physician under chapter 18.71 RCW, an osteopathic physician or an osteopathic physician and surgeon under chapter 18.57 RCW, a dentist under chapter 18.32 RCW, a podiatric physician and surgeon under chapter 18.22 RCW, a veterinarian under chapter 18.92 RCW, a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW, an optometrist under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010, an osteopathic physician assistant under chapter 18.57A RCW, a physician assistant under chapter 18.71A RCW, a naturopath licensed under chapter 18.36A RCW, a pharmacist under chapter

18.64 RCW, or, when acting under the required supervision of a dentist licensed under chapter 18.32 RCW, a dental hygienist licensed under chapter 18.29 RCW;

(b) A pharmacy, hospital, or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or to administer a legend drug in the course of professional practice or research in this state; and

(c) A physician licensed to practice medicine and surgery or a physician licensed to practice osteopathic medicine and surgery in any state, or province of Canada, which shares a common border with the state of Washington.

(17) "Secretary" means the secretary of health or the secretary's designee.

Sec. 1025. RCW 70.87.200 and 2003 c 143 s 20 are each amended to read as follows:

(1) The provisions of this chapter do not apply where:

(a) A conveyance is permanently removed from service or made effectively inoperative; or

(b) Lifts, ~~((man))~~ hoists for persons, or material hoists are erected temporarily for use during construction work only and are of such a design that they must be operated by a ~~((workman))~~ worker stationed at the hoisting machine.

(2) Except as limited by RCW 70.87.050, municipalities having in effect an elevator code prior to June 13, 1963 may continue to assume jurisdiction over conveyance work and may inspect, issue permits, collect fees, and prescribe minimum requirements for conveyance work and operation if the requirements are equal to the requirements of this chapter and to all rules pertaining to conveyances adopted and administered by the department. Upon the failure of a municipality having jurisdiction over conveyances to carry out the provisions of this chapter with regard to a conveyance, the department may assume jurisdiction over the conveyance. If a municipality elects not to maintain jurisdiction over certain conveyances located therein, it may enter into a written agreement with the department transferring exclusive jurisdiction of the conveyances to the department. The city may not reassume jurisdiction after it enters into such an agreement with the department.

Sec. 1026. RCW 70.104.020 and 1971 ex.s. c 41 s 2 are each amended to read as follows:

For the purposes of this chapter pesticide means, but is not limited to:

(1) Any substance or mixture of substances intended to prevent, destroy, control, repel, or mitigate any insect, rodent, nematode, snail, slug, fungus, weed and any other form of plant or animal life or virus, except virus on or in a living ~~((man))~~ human being or other animal, which is normally considered to be a pest or which the director of agriculture may declare to be a pest; or

(2) Any substance or mixture of substances intended to be used as a plant regulator, defoliant or desiccant; or

(3) Any spray adjuvant, such as a wetting agent, spreading agent, deposit builder, adhesive, emulsifying agent, deflocculating agent, water modifier, or similar agent with or without toxic properties of its own intended to be used with any other pesticide as an aid to the application or effect thereof, and sold in a

package or container separate from that of the pesticide with which it is to be used; or

(4) Any fungicide, rodenticide, herbicide, insecticide, and nematocide.

Sec. 1027. RCW 70.105.010 and 1989 c 376 s 1 are each amended to read as follows:

The words and phrases defined in this section shall have the meanings indicated when used in this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of ecology.

(2) "Director" means the director of the department of ecology or the director's designee.

(3) "Disposal site" means a geographical site in or upon which hazardous wastes are disposed of in accordance with the provisions of this chapter.

(4) "Dispose or disposal" means the discarding or abandoning of hazardous wastes or the treatment, decontamination, or recycling of such wastes once they have been discarded or abandoned.

(5) "Dangerous wastes" means any discarded, useless, unwanted, or abandoned substances, including but not limited to certain pesticides, or any residues or containers of such substances which are disposed of in such quantity or concentration as to pose a substantial present or potential hazard to human health, wildlife, or the environment because such wastes or constituents or combinations of such wastes:

(a) Have short-lived, toxic properties that may cause death, injury, or illness or have mutagenic, teratogenic, or carcinogenic properties; or

(b) Are corrosive, explosive, flammable, or may generate pressure through decomposition or other means.

(6) "Extremely hazardous waste" means any dangerous waste which

(a) will persist in a hazardous form for several years or more at a disposal site and which in its persistent form

(i) presents a significant environmental hazard and may be concentrated by living organisms through a food chain or may affect the genetic make-up of ~~((man))~~ human beings or wildlife, and

(ii) is highly toxic to ~~((man))~~ human beings or wildlife

(b) if disposed of at a disposal site in such quantities as would present an extreme hazard to ~~((man))~~ human beings or the environment.

(7) "Person" means any person, firm, association, county, public or municipal or private corporation, agency, or other entity whatsoever.

(8) "Pesticide" shall have the meaning of the term as defined in RCW 15.58.030 as now or hereafter amended.

(9) "Solid waste advisory committee" means the same advisory committee as per RCW 70.95.040 through 70.95.070.

(10) "Designated zone facility" means any facility that requires an interim or final status permit under rules adopted under this chapter and that is not a preempted facility as defined in this section.

(11) "Facility" means all contiguous land and structures, other appurtenances, and improvements on the land used for recycling, storing, treating, incinerating, or disposing of hazardous waste.

(12) "Preempted facility" means any facility that includes as a significant part of its activities any of the following operations: (a) Landfill, (b)

incineration, (c) land treatment, (d) surface impoundment to be closed as a landfill, or (e) waste pile to be closed as a landfill.

(13) "Hazardous household substances" means those substances identified by the department as hazardous household substances in the guidelines developed under RCW 70.105.220.

(14) "Hazardous substances" means any liquid, solid, gas, or sludge, including any material, substance, product, commodity, or waste, regardless of quantity, that exhibits any of the characteristics or criteria of hazardous waste as described in rules adopted under this chapter.

(15) "Hazardous waste" means and includes all dangerous and extremely hazardous waste, including substances composed of both radioactive and hazardous components.

(16) "Local government" means a city, town, or county.

(17) "Moderate-risk waste" means (a) any waste that exhibits any of the properties of hazardous waste but is exempt from regulation under this chapter solely because the waste is generated in quantities below the threshold for regulation, and (b) any household wastes which are generated from the disposal of substances identified by the department as hazardous household substances.

(18) "Service charge" means an assessment imposed under RCW 70.105.280 against those facilities that store, treat, incinerate, or dispose of dangerous or extremely hazardous waste that contains both a nonradioactive hazardous component and a radioactive component. Service charges shall also apply to facilities undergoing closure under this chapter in those instances where closure entails the physical characterization of remaining wastes which contain both a nonradioactive hazardous component and a radioactive component or the management of such wastes through treatment or removal, except any commercial low-level radioactive waste facility.

Sec. 1028. RCW 77.55.011 and 2005 c 146 s 101 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Bed" means the land below the ordinary high water lines of state waters. This definition does not include irrigation ditches, canals, storm water runoff devices, or other artificial watercourses except where they exist in a natural watercourse that has been altered ~~((by man))~~ artificially.

(2) "Board" means the hydraulic appeals board created in RCW 77.55.301.

(3) "Commission" means the state fish and wildlife commission.

(4) "Department" means the department of fish and wildlife.

(5) "Director" means the director of the department of fish and wildlife.

(6) "Emergency" means an immediate threat to life, the public, property, or of environmental degradation.

(7) "Hydraulic project" means the construction or performance of work that will use, divert, obstruct, or change the natural flow or bed of any of the salt or freshwaters of the state.

(8) "Imminent danger" means a threat by weather, water flow, or other natural conditions that is likely to occur within sixty days of a request for a permit application.

(9) "Marina" means a public or private facility providing boat moorage space, fuel, or commercial services. Commercial services include but are not limited to overnight or live-aboard boating accommodations.

(10) "Marine terminal" means a public or private commercial wharf located in the navigable water of the state and used, or intended to be used, as a port or facility for the storing, handling, transferring, or transporting of goods to and from vessels.

(11) "Ordinary high water line" means the mark on the shores of all water that will be found by examining the bed and banks and ascertaining where the presence and action of waters are so common and usual, and so long continued in ordinary years as to mark upon the soil or vegetation a character distinct from the abutting upland. Provided, that in any area where the ordinary high water line cannot be found, the ordinary high water line adjoining saltwater is the line of mean higher high water and the ordinary high water line adjoining fresh water is the elevation of the mean annual flood.

(12) "Permit" means a hydraulic project approval permit issued under this chapter.

(13) "Sandbars" includes, but is not limited to, sand, gravel, rock, silt, and sediments.

(14) "Small scale prospecting and mining" means the use of only the following methods: Pans; nonmotorized sluice boxes; concentrators; and minirocker boxes for the discovery and recovery of minerals.

(15) "Spartina," "purple loosestrife," and "aquatic noxious weeds" have the same meanings as defined in RCW 17.26.020.

(16) "Streambank stabilization" means those projects that prevent or limit erosion, slippage, and mass wasting. These projects include, but are not limited to, bank resloping, log and debris relocation or removal, planting of woody vegetation, bank protection using rock or woody material or placement of jetties or groins, gravel removal, or erosion control.

(17) "Tide gate" means a one-way check valve that prevents the backflow of tidal water.

(18) "Waters of the state" and "state waters" means all salt and fresh waters waterward of the ordinary high water line and within the territorial boundary of the state.

Sec. 1029. RCW 79A.05.600 and 1967 c 120 s 1 are each amended to read as follows:

The beaches bounding the Pacific Ocean from the Straits of Juan de Fuca to Cape Disappointment at the mouth of the Columbia River constitute some of the last unspoiled seashore remaining in the United States. They provide the public with almost unlimited opportunities for recreational activities, like swimming, surfing and hiking; for outdoor sports, like hunting, fishing, clamming, and boating; for the observation of nature as it existed for hundreds of years before the arrival of (~~white men~~) Europeans; and for relaxation away from the pressures and tensions of modern life. In past years, these recreational activities have been enjoyed by countless Washington citizens, as well as by tourists from other states and countries. The number of people wishing to participate in such recreational activities grows annually. This increasing public pressure makes it necessary that the state dedicate the use of the ocean beaches to public recreation and to provide certain recreational and sanitary facilities. Nonrecreational use of

the beach must be strictly limited. Even recreational uses must be regulated in order that Washington's unrivaled seashore may be saved for our children in much the same form as we know it today.

Sec. 1030. RCW 81.40.080 and 2003 c 53 s 389 are each amended to read as follows:

(1) It shall be unlawful for any railroad company, corporation, association or other person owning, controlling or operating any line of railroad in the state of Washington, to build, construct, reconstruct, or repair railroad car equipment or motive power in this state without first erecting and maintaining at every point where five employees or more are regularly employed on such work, a shed over a sufficient portion of the tracks used for such work, so as to provide that all ~~((men))~~ persons regularly employed in such work shall be sheltered and protected from rain and other inclement weather: PROVIDED, That the provisions of this section shall not apply at points where it is necessary to make light repairs only on equipment or motive power, nor to equipment loaded with time or perishable freight, nor to equipment when trains are being held for the movement of equipment, nor to equipment on tracks where trains arrive or depart or are assembled or made up for departure. The term "light repairs," as herein used, shall not include repairs usually made in roundhouse, shop or shed upon well equipped railroads.

(2) Any railroad company or officer or agent thereof, or any other person, who violates this section by failing or refusing to comply with its provisions is guilty of a misdemeanor, and each day's failure or refusal to comply shall be considered a separate offense.

Sec. 1031. RCW 81.48.050 and 1961 c 14 s 81.48.050 are each amended to read as follows:

All railroads and street railroads, operating in this state shall cause their trains and cars to come to a full stop at a distance not greater than five hundred feet before crossing the tracks of another railroad crossing at grade, excepting at crossings where there are established signal towers, and signal ~~((men))~~ operators, interlocking plants or gates.

Sec. 1032. RCW 81.64.090 and 2003 c 53 s 396 are each amended to read as follows:

(1) Street railway or streetcar companies, or streetcar corporations, shall employ none but competent ~~((men))~~ persons to operate or assist as conductors, ~~((motomen))~~ motor operators, or ~~((gripmen))~~ grip operators upon any street railway, or streetcar line in this state.

(2) A person shall be deemed competent to operate or assist in operating cars or (dummies) usually used by street railway or streetcar companies, or corporations, only after first having served at least three days under personal instruction of a regularly employed conductor, ~~((motorman))~~ motor operator, or ~~((gripman))~~ grip operator on a car or dummy in actual service on the particular street railway or streetcar line for which the service of an additional person or additional persons may be required: PROVIDED, That during a strike on the streetcar lines the railway companies may employ competent persons who have not worked three days on the particular streetcar line.

(3) Any violation of this section by the president, secretary, manager, superintendent, assistant superintendent, stockholder, or other officer or

employee of any company or corporation owning or operating any street railway or streetcar line or any receiver of street railway or streetcar company, or street railway or streetcar corporations appointed by any court within this state to operate such car line is a misdemeanor punishable by a fine in any amount not less than fifty dollars nor more than two hundred dollars, or imprisonment in the county jail for a term of thirty days, or both such fine and imprisonment at the discretion of the court.

Sec. 1033. RCW 82.75.010 and 2006 c 178 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Applicant" means a person applying for a tax deferral under this chapter.

(2) "Biotechnology" means a technology based on the science of biology, microbiology, molecular biology, cellular biology, biochemistry, or biophysics, or any combination of these, and includes, but is not limited to, recombinant DNA techniques, genetics and genetic engineering, cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms.

(3) "Biotechnology product" means any virus, therapeutic serum, antibody, protein, toxin, antitoxin, vaccine, blood, blood component or derivative, allergenic product, or analogous product produced through the application of biotechnology that is used in the prevention, treatment, or cure of diseases or injuries to humans.

(4) "Department" means the department of revenue.

(5)(a) "Eligible investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(b) The lessor or owner of a qualified building is not eligible for a deferral unless:

(i) The underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(ii)(A) The lessor by written contract agrees to pass the economic benefit of the deferral to the lessee;

(B) The lessee that receives the economic benefit of the deferral agrees in writing with the department to complete the annual survey required under RCW 82.32.645; and

(C) The economic benefit of the deferral passed to the lessee is no less than the amount of tax deferred by the lessor and is evidenced by written documentation of any type of payment, credit, or other financial arrangement between the lessor or owner of the qualified building and the lessee.

(6)(a) "Initiation of construction" means the date that a building permit is issued under the building code adopted under RCW 19.27.031 for:

(i) Construction of the qualified building, if the underlying ownership of the building vests exclusively with the person receiving the economic benefit of the deferral;

(ii) Construction of the qualified building, if the economic benefits of the deferral are passed to a lessee as provided in subsection (5)(b)(ii)(A) of this section; or

(iii) Tenant improvements for a qualified building, if the economic benefits of the deferral are passed to a lessee as provided in subsection (5)(b)(ii)(A) of this section.

(b) "Initiation of construction" does not include soil testing, site clearing and grading, site preparation, or any other related activities that are initiated before the issuance of a building permit for the construction of the foundation of the building.

(c) If the investment project is a phased project, "initiation of construction" shall apply separately to each phase.

(7) "Manufacturing" has the meaning provided in RCW 82.04.120.

(8) "Medical device" means an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article, including any component, part, or accessory, that is designed or developed and:

(a) Recognized in the national formulary, or the United States pharmacopeia, or any supplement to them;

(b) Intended for use in the diagnosis of disease, or in the cure, mitigation, treatment, or prevention of disease or other conditions in human beings or other animals; or

(c) Intended to affect the structure or any function of the body of ~~((man))~~ human beings or other animals, and which does not achieve any of its primary intended purposes through chemical action within or on the body of ~~((man))~~ human beings or other animals and which is not dependent upon being metabolized for the achievement of any of its principal intended purposes.

(9) "Person" has the meaning provided in RCW 82.04.030.

(10) "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity used for biotechnology product manufacturing or medical device manufacturing activities, including plant offices, commercial laboratories for process development, quality assurance and quality control, and warehouses or other facilities for the storage of raw material or finished goods if the facilities are an essential or an integral part of a factory, plant, or laboratory used for biotechnology product manufacturing or medical device manufacturing. If a building is used partly for biotechnology product manufacturing or medical device manufacturing and partly for other purposes, the applicable tax deferral shall be determined by apportionment of the costs of construction under rules adopted by the department.

(11) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a biotechnology product manufacturing or medical device manufacturing operation. "Qualified machinery and equipment" includes: Computers; software; data processing equipment; laboratory equipment; manufacturing components such as belts, pulleys, shafts, and moving parts; molds, tools, and dies; operating structures; and all equipment used to control or operate the machinery.

(12) "Recipient" means a person receiving a tax deferral under this chapter.

Sec. 1034. RCW 84.36.260 and 1979 ex.s. c 193 s 1 are each amended to read as follows:

All real property interests, including fee simple or any lesser interest, development rights, easements, covenants and conservation futures, as that latter

term is defined in RCW 84.34.220 as now or hereafter amended, used exclusively for the conservation of ecological systems, natural resources, or open space, including park lands, held by any nonprofit corporation or association the primary purpose of which is the conducting or facilitating of scientific research or the conserving of natural resources or open space for the general public, shall be exempt from ad valorem taxation if either of the following conditions are met:

(1) To the extent feasible considering the nature of the property interest involved, such property interests shall be used and effectively dedicated primarily for the purpose of providing scientific research or educational opportunities for the general public or the preservation of native plants or animals, or biotic communities, or works of ancient (~~man~~) human beings or geological or geographical formations, of distinct scientific and educational interest, and not for the pecuniary benefit of any person or company, as defined in RCW 82.04.030, and shall be open to the general public for educational and scientific research purposes subject to reasonable restrictions designed for its protection; or

(2) Such property interests shall be subject to an option, accepted in writing by the state, a city or a county, or department of the United States government, for the purchase thereof by the state, a city or a county, or the United States, at a price not exceeding the lesser of the following amounts: (a) The sum of the original purchase cost to such nonprofit corporation or association plus interest from the date of acquisition by such corporation or association at the rate of six percent per annum compounded annually to the date of the exercise of the option; or (b) the appraised value of the property at the time of the granting of the option, as determined by the department of revenue or when the option is held by the United States, or by an appropriate agency thereof.

Sec. 1035. RCW 85.08.310 and 1921 c 157 s 5 are each amended to read as follows:

The said board of supervisors shall, immediately upon their election and qualification, begin the construction of such system of improvement and shall proceed with the construction thereof in accordance with the plans adopted therefor. In the construction of any system of drainage, construction shall be begun at the outlet or outlets thereof and at such other points as may be deemed advisable from time to time. In the construction of any system of improvement the board of supervisors with the approval of the board of county commissioners may modify, curtail, enlarge or add to the original plans wherever the same may be found necessary or advisable in the course of actual construction. But such changes shall not in the aggregate increase the estimated cost of the entire system by more than one-fifth, and all additional or different rights-of-way required shall be obtained as hereinbefore prescribed. The board of county commissioners may in its discretion let the construction of said system or any portion thereof by contract, in the manner provided for letting contracts for the construction of county roads and bridges. The board of county commissioners may, upon such terms as may be agreed upon by the United States acting in pursuance of the National Reclamation Act approved June 17, 1902 (32 Statutes at Large 388), and the acts amendatory thereof and supplemental thereto, or in pursuance to any other act of congress appropriate to the purpose, contract for the construction of the system of improvement or any part thereof, by the United

States, or in cooperation with the United States therein. In such case, no bond shall be required, and the work shall be done under the supervision and control of the proper officers of the United States.

Unless the work of construction is let by contract as hereinbefore provided, or for such part of such work as is not covered by contract, the board of supervisors shall employ such number of (~~(men)~~) persons as shall be necessary to successfully carry on the work of such construction, and shall give preference in such employment to persons owning land to be benefited by the improvement.

The provisions of this section shall not be construed as denying to the supervisors, in case the construction work is left in their hands, the power to enter into an agreement with any contractor to furnish labor, material, equipment and skilled supervision, the contractor to be compensated upon the basis of a specific sum, or upon a percentage of the cost of the work, the services of the contractor to cover the use of equipment and the value of skilled supervision: PROVIDED, HOWEVER, That there is retained in the said board by the contract the right of termination thereof at any time, on reasonable notice, and fixing in the said contract, or reserving in said board, the right to fix the rates of wages to be paid to the (~~(men)~~) persons employed in said work. The board of supervisors may also let contracts in such manner and on such notice as they deem advisable for items of construction not exceeding one thousand dollars in amount of expenditures.

PART II

Sec. 2001. RCW 35.07.090 and 1965 c 7 s 35.07.090 are each amended to read as follows:

Upon disincorporation of a city or town, its powers and privileges as such, are surrendered to the state and it is absolved from any further duty to the state or its own inhabitants and all the offices appertaining thereto shall cease to exist immediately upon the entry of the result: PROVIDED, That if a receiver is required, the officers shall continue in the exercise of all their powers until a receiver has qualified as such, and thereupon shall surrender to him or her all property, money, vouchers, records and books of the city or town including those in any manner pertaining to its business.

Sec. 2002. RCW 35.07.120 and 1965 c 7 s 35.07.120 are each amended to read as follows:

The receiver must qualify within ten days after he or she has been declared elected, by filing with the county auditor a bond equal in penalty to the audited indebtedness and the established liabilities of the city or town with sureties approved by the board of county commissioners, or if the board is not in session, by the judge of the superior court of the county. The bond shall run to the state and shall be conditioned for the faithful performance of his or her duties as receiver and the prompt payment in the order of their priority of all lawful claims finally established as the funds come into his or her hands to discharge them. The bond shall be filed with the county auditor and shall be a public record and shall be for the benefit of every person who may be injured by the receiver's failure to discharge his or her duty.

Sec. 2003. RCW 35.07.130 and 1965 c 7 s 35.07.130 are each amended to read as follows:

If the person elected receiver fails to qualify as such within the prescribed time, the council shall file in the superior court of the county a petition setting forth the fact of the election, its result and the failure of the person elected receiver to qualify within the prescribed time and praying for the appointment of another person as receiver. Notice of the filing of the petition and of the time fixed for hearing thereon must be served upon the person elected receiver at least three days before the time fixed for the hearing. If he or she cannot be found within the county, no notice need be served, and the court may proceed with full jurisdiction to determine the matter upon the hearing. Unless good cause to the contrary is shown, the court shall appoint some suitable person to act as receiver, who shall qualify as required by RCW 35.07.120 within ten days from the date of his or her appointment.

If the council fails to procure the appointment of a receiver, any person qualified to vote in the city or town may file such a petition and make such application.

Sec. 2004. RCW 35.07.140 and 1965 c 7 s 35.07.140 are each amended to read as follows:

If no receiver is elected upon the supposition that no indebtedness existed and it transpires that the municipality does have indebtedness or an outstanding liability, any interested person may file a petition in the superior court asking for the appointment of a receiver, and unless the indebtedness or liability is discharged, the court shall appoint some suitable person to act as receiver who shall qualify as required of any other receiver hereunder, within ten days from the date of his or her appointment.

Sec. 2005. RCW 35.07.150 and 1965 c 7 s 35.07.150 are each amended to read as follows:

The receiver, upon qualifying, shall take possession of all the property, money, vouchers, records and books of the former municipality including those in any manner pertaining to its business and proceed to wind up its affairs. He or she shall have authority to pay:

(1) All outstanding warrants and bonds in the order of their maturity with due regard to the fund on which they are properly a charge;

(2) All lawful claims against the corporation which have been audited and allowed by the council;

(3) All lawful claims which may be presented to him or her within the time limited by law for the presentation of such claims, but no claim shall be allowed or paid which is not presented within six months from the date of the disincorporation election;

(4) All claims that by final adjudication may come to be established as lawful claims against the corporation.

As between warrants, bonds and other claims, their priority shall be determined with regard to the fund on which they are properly a charge.

Sec. 2006. RCW 35.07.170 and 1965 c 7 s 35.07.170 are each amended to read as follows:

The receiver shall be authorized to sell at public auction after such public notice as the sheriff is required to give of like property sold on execution, all the

property of the former municipality except such as is necessary for his or her use in winding up its affairs, and excepting also such as has been dedicated to public use.

Personal property shall be sold for cash.

Real property may be sold for all cash, or for one-half cash and the remainder in deferred payments, the last payment not to be later than one year from date of sale. Title shall not pass until all deferred payments have been fully paid.

Sec. 2007. RCW 35.07.190 and 1965 c 7 s 35.07.190 are each amended to read as follows:

The receiver shall be entitled to deduct from any funds coming into his or her hands a commission of six percent on the first thousand dollars, five percent on the second thousand and four percent on any amount over two thousand dollars as his or her full compensation exclusive of necessary traveling expenses and necessary disbursements, but not exclusive of attorney's fees.

Sec. 2008. RCW 35.07.200 and 1965 c 7 s 35.07.200 are each amended to read as follows:

The receiver shall proceed to wind up the affairs of the corporation with diligence and for negligence or misconduct in the discharge of his or her duties may be removed by the superior court upon a proper showing made by a taxpayer of the former city or town or by an unsatisfied creditor thereof.

Sec. 2009. RCW 35.07.220 and 1965 c 7 s 35.07.220 are each amended to read as follows:

Upon the final payment of all lawful demands against the former city or town, the receiver shall file a final account, together with all vouchers, with the clerk of the superior court. Any funds remaining in his or her hands shall be paid to the county treasurer for the use of the school district in which the former city or town was situated; and thereupon the receivership shall be at an end.

Sec. 2010. RCW 35.13.171 and 1995 c 399 s 35 are each amended to read as follows:

Within thirty days after the filing of a city's or town's annexation resolution pursuant to RCW 35.13.015 with the board of county commissioners or within thirty days after filing with the county commissioners a petition calling for an election on annexation, as provided in RCW 35.13.020, or within thirty days after approval by the legislative body of a city or town of a petition of property owners calling for annexation, as provided in RCW 35.13.130, the mayor of the city or town concerned that is not subject to the jurisdiction of a boundary review board under chapter 36.93 RCW, shall convene a review board composed of the following persons:

(1) The mayor of the city or town initiating the annexation by resolution, or the mayor in the event of a twenty percent annexation petition pursuant to RCW 35.13.020, or an alternate designated by the mayor;

(2) The ~~((chairman))~~ chair of the board of county commissioners of the county wherein the property to be annexed is situated, or an alternate designated by him or her;

(3) The director of community, trade, and economic development, or an alternate designated by the director;

Two additional members to be designated, one by the mayor of the annexing city, which member shall be a resident property owner of the city, and one by the ~~((chairman))~~ chair of the county legislative authority, which member shall be a resident of and a property owner or a resident or a property owner if there be no resident property owner in the area proposed to be annexed, shall be added to the original membership and the full board thereafter convened upon call of the mayor: PROVIDED FURTHER, That three members of the board shall constitute a quorum.

Sec. 2011. RCW 35.13A.090 and 1999 c 153 s 32 are each amended to read as follows:

Whenever a city acquires all of the facilities of a district, pursuant to this chapter, such a city shall offer to employ every full time employee of the district who is engaged in the operation of such a district's facilities on the date on which such city acquires the district facilities. When a city acquires any portion of the facilities of such a district, such a city shall offer to employ full time employees of the district as of the date of the acquisition of the facilities of the district who are not longer needed by the district.

Whenever a city employs a person who was employed immediately prior thereto by the district, arrangements shall be made:

(1) For the retention of all sick leave standing to the employee's credit in the plan of such district.

(2) For a vacation with pay during the first year of employment equivalent to that to which he or she would have been entitled if he or she had remained in the employment of the district.

Sec. 2012. RCW 35.14.030 and 1967 c 73 s 3 are each amended to read as follows:

Each community council shall be staffed by a deputy to the city clerk of the city with which the service area is consolidated or annexed and shall be provided with such other clerical and technical assistance and a properly equipped office as may be necessary to carry out its functions.

Each community council shall elect a ~~((chairman))~~ chair and vice ~~((chairman))~~ chair from its membership. A majority of the council shall constitute a quorum. Each action of the community municipal corporation shall be by resolution approved by vote of the majority of all the members of the community council. Meetings shall be held at such times and places as provided in the rules of the community council. Members of the community council shall receive no compensation.

The necessary expenses of the community council shall be budgeted and paid by the city.

Sec. 2013. RCW 35.14.060 and 1967 c 73 s 6 are each amended to read as follows:

The original terms of existence of any community municipal corporation shall be for at least four years and until the first Monday in January next following a regular municipal election held in the city.

Any such community municipal corporation may be continued thereafter for additional periods of four years' duration with the approval of the voters at an election held and conducted in the manner provided for in this section.

Authorization for a community municipal corporation to continue its term of existence for each additional period of four years may be initiated pursuant to a resolution or a petition in the following manner:

(1) A resolution praying for such continuation may be adopted by the community council and shall be filed not less than seven months prior to the end of the term of existence of such corporation with the city council or other legislative body of the city in which the service area is located.

(2) A petition for continuation shall be signed by at least ten percent of the registered voters residing within the service area and shall be filed not less than six months prior to the end of the term of existence of such corporation with the city council or other legislative body of the city in which the service area is located.

At the same election at which a proposition is submitted to the voters of the service area for the continuation of the community municipal corporation for an additional period of four years, the community councilmembers of such municipal corporation shall be elected. The positions on such council shall be the same in number as the original or initial council and shall be numbered consecutively and elected at large. Declarations of candidacy and withdrawals shall be in the same manner as is provided for members of the city council or other legislative body of the city.

Upon receipt of a petition, the city clerk shall examine the signatures thereon and certify to the sufficiency thereof. No person may withdraw his or her name from a petition after it has been filed.

Upon receipt of a valid resolution or upon duly certifying a petition for continuation of a community municipal corporation, the city clerk with whom the resolution or petition was filed shall cause a proposition on continuation of the term of existence of the community municipal corporation to be placed on the ballot at the next city general election. No person shall be eligible to vote on such proposition at such election unless he or she is a qualified voter and resident of the service area.

The ballots shall contain the words "For continuation of community municipal corporation" and "Against continuation of community municipal corporation" or words equivalent thereto, and shall also contain the names of the candidates to be voted for to fill the positions on the community council. The names of all candidates to be voted upon shall be printed on the ballot alphabetically in groups under the numbered position on the council for which they are candidates.

If the results of the election as certified by the county canvassing board reveal that a majority of the votes cast are for continuation, the municipal corporation shall continue in existence for an additional period of four years, and certificates of election shall be issued to the successful candidates who shall assume office at the same time as members of the city council or other legislative body of the city.

Sec. 2014. RCW 35.17.060 and 1965 c 7 s 35.17.060 are each amended to read as follows:

The mayor shall be president of the commission. He or she shall preside at its meetings when present and shall oversee all departments and recommend to the commission, action on all matters requiring attention in any department.

Sec. 2015. RCW 35.17.070 and 1965 c 7 s 35.17.070 are each amended to read as follows:

The commissioner of finance and accounting shall be vice president of the commission. In the absence or inability of the mayor, he or she shall perform the duties of president.

Sec. 2016. RCW 35.17.080 and 1965 c 7 s 35.17.080 are each amended to read as follows:

The commission shall appoint by a majority vote a city clerk and such other officers and employees as the commission may by ordinance provide. Any officer or employee appointed by the commission may be discharged at any time by vote of a majority of the members of the commission. Any commissioner may perform any duties pertaining to his or her department but without additional compensation therefor.

Sec. 2017. RCW 35.17.150 and 1965 c 7 s 35.17.150 are each amended to read as follows:

No officer or employee, elected or appointed, shall receive from any enterprise operating under a public franchise any frank, free ticket, or free service or receive any service upon terms more favorable than are granted to the public generally: PROVIDED, That the provisions of this section shall not apply to free transportation furnished to ~~((policemen))~~ police officers and ~~((firemen))~~ firefighters in uniform nor to free service to city officials provided for in the franchise itself.

Any violation of the provisions of this section shall be a misdemeanor.

Sec. 2018. RCW 35.17.280 and 1965 c 7 s 35.17.280 are each amended to read as follows:

Within ten days from the filing of a petition submitting a proposed ordinance the city clerk shall ascertain and append to the petition his or her certificate stating whether or not it is signed by a sufficient number of registered voters, using the registration records and returns of the preceding municipal election for his or her sources of information, and the commission shall allow him or her extra help for that purpose, if necessary. If the signatures are found by the clerk to be insufficient the petition may be amended in that respect within ten days from the date of the certificate. Within ten days after submission of the amended petition the clerk shall make an examination thereof and append his or her certificate thereto in the same manner as before. If the second certificate shall also show the number of signatures to be insufficient, the petition shall be returned to the person filing it.

Sec. 2019. RCW 35.18.010 and 1965 c 7 s 35.18.010 are each amended to read as follows:

Under the council-manager plan of city government, the ~~((councilmen))~~ councilmembers shall be the only elective officials. The council shall appoint an officer whose title shall be "city manager" who shall be the chief executive officer and head of the administrative branch of city or town government. The city manager shall be responsible to the council for the proper administration of all affairs of the city or town.

Sec. 2020. RCW 35.18.040 and 1965 c 7 s 35.18.040 are each amended to read as follows:

The city manager need not be a resident. He or she shall be chosen by the council solely on the basis of his or her executive and administrative qualifications with special reference to his or her actual experience in, or his or her knowledge of, accepted practice in respect to the duties of his or her office. No person elected to membership on the council shall be eligible for appointment as city manager until one year has elapsed following the expiration of the term for which he or she was elected.

Sec. 2021. RCW 35.18.050 and 1965 c 7 s 35.18.050 are each amended to read as follows:

Before entering upon the duties of his or her office the city manager shall take the official oath for the support of the government and the faithful performance of his or her duties and shall execute and file with the clerk of the council a bond in favor of the city or town in such sum as may be fixed by the council.

Sec. 2022. RCW 35.18.060 and 1987 c 3 s 5 are each amended to read as follows:

The powers and duties of the city manager shall be:

(1) To have general supervision over the administrative affairs of the municipality;

(2) To appoint and remove at any time all department heads, officers, and employees of the city or town, except members of the council, and subject to the provisions of any applicable law, rule, or regulation relating to civil service: PROVIDED, That the council may provide for the appointment by the mayor, subject to confirmation by the council, of the city planning commission, and other advisory citizens' committees, commissions and boards advisory to the city council: PROVIDED FURTHER, That the city manager shall appoint the municipal judge to a term of four years, subject to confirmation by the council. The municipal judge may be removed only on conviction of malfeasance or misconduct in office, or because of physical or mental disability rendering him or her incapable of performing the duties of his or her office. The council may cause an audit to be made of any department or office of the city or town government and may select the persons to make it, without the advice or consent of the city manager;

(3) To attend all meetings of the council at which his or her attendance may be required by that body;

(4) To see that all laws and ordinances are faithfully executed, subject to the authority which the council may grant the mayor to maintain law and order in times of emergency;

(5) To recommend for adoption by the council such measures as he or she may deem necessary or expedient;

(6) To prepare and submit to the council such reports as may be required by that body or as he or she may deem it advisable to submit;

(7) To keep the council fully advised of the financial condition of the city or town and its future needs;

(8) To prepare and submit to the council a tentative budget for the fiscal year;

(9) To perform such other duties as the council may determine by ordinance or resolution.

Sec. 2023. RCW 35.18.070 and 1965 c 7 s 35.18.070 are each amended to read as follows:

Whether the city manager shall devote his or her full time to the affairs of one city or town shall be determined by the council. A city manager may serve two or more cities or towns in that capacity at the same time.

Sec. 2024. RCW 35.18.090 and 1965 c 7 s 35.18.090 are each amended to read as follows:

The city manager may authorize the head of a department or office responsible to him or her to appoint and remove subordinates in such department or office. Any officer or employee who may be appointed by the city manager, or by the head of a department or office, except one who holds his or her position subject to civil service, may be removed by the manager or other such appointing officer at any time. Subject to the provisions of RCW 35.18.060, the decision of the manager or other appointing officer, shall be final and there shall be no appeal therefrom to any other office, body, or court whatsoever.

Sec. 2025. RCW 35.18.110 and 1965 c 7 s 35.18.110 are each amended to read as follows:

Neither the council, nor any of its committees or members shall direct or request the appointment of any person to, or his or her removal from, office by the city manager or any of his or her subordinates. Except for the purpose of inquiry, the council and its members shall deal with the administrative service solely through the manager and neither the council nor any committee or member thereof shall give orders to any subordinate of the city manager, either publicly or privately: PROVIDED, HOWEVER, That nothing herein shall be construed to prohibit the council, while in open session, from fully and freely discussing with the city manager anything pertaining to appointments and removals of city officers and employees and city affairs.

Sec. 2026. RCW 35.18.120 and 1965 c 7 s 35.18.120 are each amended to read as follows:

The city manager shall be appointed for an indefinite term and may be removed by a majority vote of the council.

At least thirty days before the effective date of his or her removal, the city manager must be furnished with a formal statement in the form of a resolution passed by a majority vote of the city council stating the council's intention to remove him or her and the reasons therefor. Upon passage of the resolution stating the council's intention to remove the manager, the council by a similar vote may suspend him or her from duty, but his or her pay shall continue until his or her removal becomes effective.

Sec. 2027. RCW 35.18.130 and 1965 c 7 s 35.18.130 are each amended to read as follows:

The city manager may, within thirty days from the date of service upon him or her of a copy thereof, reply in writing to the resolution stating the council's intention to remove him or her. In the event no reply is timely filed, the resolution shall upon the thirty-first day from the date of such service, constitute the final resolution removing the manager, and his or her services shall terminate upon that day. If a reply shall be timely filed with its clerk, the council shall fix

a time for a public hearing upon the question of the manager's removal and a final resolution removing the manager shall not be adopted until a public hearing has been had. The action of the council in removing the manager shall be final.

Sec. 2028. RCW 35.18.150 and 1965 c 7 s 35.18.150 are each amended to read as follows:

Only a qualified elector of the city or town may be a member of the council and upon ceasing to be such, or upon being convicted of a crime involving moral turpitude, or of violating the provisions of RCW 35.18.110, he or she shall immediately forfeit his or her office.

Sec. 2029. RCW 35.18.170 and 1965 c 7 s 35.18.170 are each amended to read as follows:

The council shall meet at the times and places fixed by ordinance but must hold at least one regular meeting each month. The clerk shall call special meetings of the council upon request of the mayor or any two members. At all meetings of the city council, a majority of the (~~councilmen~~) councilmembers shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time and may compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance. Requests for special meetings shall state the subject to be considered and no other subject shall be considered at a special meeting.

All meetings of the council and of committees thereof shall be open to the public and the rules of the council shall provide that citizens of the city or town shall have a reasonable opportunity to be heard at any meetings in regard to any matter being considered thereat.

Sec. 2030. RCW 35.18.180 and 1965 c 7 s 35.18.180 are each amended to read as follows:

No ordinance, resolution, or order, including those granting a franchise or valuable privilege, shall have any validity or effect unless passed by the affirmative vote of at least a majority of the members of the city or town council. Every ordinance or resolution adopted shall be signed by the mayor or two members, filed with the clerk within two days and by him or her recorded.

Sec. 2031. RCW 35.18.190 and 1969 c 101 s 1 are each amended to read as follows:

Biennially at the first meeting of the new council the members thereof shall choose a (~~chairman~~) chair from among their number who shall have the title of mayor. In addition to the powers conferred upon him or her as mayor, he or she shall continue to have all the rights, privileges and immunities of a member of the council. If a vacancy occurs in the office of mayor, the members of the council at their next regular meeting shall select a mayor from among their number for the unexpired term.

Sec. 2032. RCW 35.18.200 and 1965 c 7 s 35.18.200 are each amended to read as follows:

The mayor shall preside at meetings of the council, and be recognized as the head of the city or town for all ceremonial purposes and by the governor for purposes of military law.

He or she shall have no regular administrative duties, but in time of public danger or emergency, if so authorized by the council, shall take command of the police, maintain law, and enforce order.

Sec. 2033. RCW 35.18.280 and 1965 c 7 s 35.18.280 are each amended to read as follows:

~~((Councilmen))~~ councilmembers shall take office at the times provided by RCW 35.18.270 as now or hereafter amended. The other city officials and employees who are incumbent at the time the council-manager plan takes effect shall hold office until their successors have been selected in accordance with the provisions of this chapter.

Sec. 2034. RCW 35.20.105 and 1969 ex.s. c 147 s 2 are each amended to read as follows:

There shall be a court administrator of the municipal court appointed by the judges of the municipal court, subject to confirmation by a majority of the legislative body of the city, and removable by the judges of the municipal court subject to like confirmation. Before entering upon the duties of his or her office the court administrator shall take and subscribe an oath the same as required for officers of the city, and shall execute a penal bond in such sum and with such sureties as the legislative body of the city may direct and subject to their approval, conditioned for the faithful performance of his or her duties, and that he or she will pay over to the treasurer of said city all moneys belonging to the city which shall come into his or her hands as such court administrator. The court administrator shall be paid such compensation as the legislative body of the city may deem reasonable. The court administrator shall act under the supervision and control of the presiding judge of the municipal court and shall supervise the functions of the chief clerk and director of the traffic violations bureau or similar agency of the city, and perform such other duties as may be assigned to him or her by the presiding judge of the municipal court.

Sec. 2035. RCW 35.20.131 and 1969 ex.s. c 147 s 3 are each amended to read as follows:

There shall be a director of the traffic violations bureau or such similar agency of the city as may be created by ordinance of said city. Said director shall be appointed by the judges of the municipal court subject to such civil service laws and rules as may be provided in such city. Said director shall act under the supervision of the court administrator of the municipal court and shall be responsible for the supervision of the traffic violations bureau or similar agency of the city. Upon this 1969 amendatory act becoming effective those employees connected with the traffic violations bureau under civil service status shall be continued in such employment and such classification. Before entering upon the duties of his or her office said director shall take and subscribe an oath the same as required for officers of the city and shall execute a penal bond in such sum and with such sureties as the legislative body of the city may direct and subject to their approval, conditioned for the faithful performance of his or her duties, and that he or she will faithfully account to and pay over to the treasurer of said city all moneys belonging to the city which shall come into his or her hands as such director. Said director shall be paid such compensation as the legislative body of the city may deem reasonable.

Sec. 2036. RCW 35.20.150 and 1975-'76 2nd ex.s. c 120 s 7 are each amended to read as follows:

The municipal judges shall be elected on the first Tuesday after the first Monday in November, 1958, and on the first Tuesday after the first Monday of

November every fourth year thereafter by the electorate of the city in which the court is located. The auditor of the county concerned shall designate by number each position to be filled in the municipal court, and each candidate at the time of the filing of his or her declaration of candidacy shall designate by number so assigned the position for which he or she is a candidate, and the name of such candidate shall appear on the ballot only for such position. The name of the person who receives the greatest number of votes and of the person who receives the next greatest number of votes at the primary for a single nonpartisan position shall appear on the general election ballot under the designation therefor. Elections for municipal judge shall be nonpartisan. They shall hold office for a term of four years and until their successors are elected and qualified. The term of office shall start on the second Monday in January following such election. Any vacancy in the municipal court due to a death, disability or resignation of a municipal court judge shall be filled by the mayor, to serve out the unexpired term. Such appointment shall be subject to confirmation by the legislative body of the city.

Sec. 2037. RCW 35.20.170 and 1965 c 7 s 35.20.170 are each amended to read as follows:

No person shall be eligible to the office of judge of the municipal court unless he or she shall have been admitted to practice law before the courts of record of this state and is an elector of the city in which he or she files for office. No judge of said court during his or her term of office shall engage either directly or indirectly in the practice of law.

Sec. 2038. RCW 35.20.180 and 1965 c 7 s 35.20.180 are each amended to read as follows:

Every judge of such municipal court, before he or she enters upon the duties of his or her office, shall take and subscribe the following oath or affirmation: "I do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of the State of Washington, and that I will faithfully discharge the duties of the office of judge of the municipal court of the city of (naming such city) according to the best of my ability; and I do further certify that I do not advocate, nor am I a member of an organization that advocates, the overthrow of the government of the United States by force or violence." The oath shall be filed in the office of the county auditor. He or she shall also give such bonds to the state and city for the faithful performance of his or her duties as may be by law or ordinance directed.

Sec. 2039. RCW 35.20.190 and 1967 c 241 s 4 are each amended to read as follows:

Whenever the number of departments of the municipal court is increased, the mayor of such city shall appoint a qualified person as provided in RCW 35.20.170 to act as municipal judge until the next general election. He or she shall be paid salaries in accordance with the provisions of this chapter and provided with the necessary court, office space and personnel as authorized herein.

***Sec. 2040.** *RCW 35.20.220 and 2004 c 15 s 9 are each amended to read as follows:*

(1) The chief clerk, under the supervision and direction of the court administrator of the municipal court, shall have the custody and care of the

books, papers and records of said court; he or she shall be present by himself or herself or deputy during the session of said court, and shall have the power to swear all witnesses and jurors, and administer oaths and affidavits, and take acknowledgments. He or she shall keep the records of said court, and shall issue all process under his or her hand and the seal of said court, and shall do and perform all things and have the same powers pertaining to his or her office as the clerks of the superior courts have in their office. He or she shall receive all fines, penalties and fees of every kind, and keep a full, accurate and detailed account of the same; and shall on each day pay into the city treasury all money received for said city during the day previous, with a detailed account of the same, and taking the treasurer's receipt therefor.

(2) Except as provided in RCW 10.99.080, the city treasurer shall remit monthly thirty-two percent of the noninterest money received under this section, other than for parking infractions and certain costs to the state treasurer. "Certain costs" as used in this subsection, means those costs awarded to prevailing parties in civil actions under RCW 4.84.010 or 36.18.040, or those costs awarded against convicted defendants in criminal actions under RCW 10.01.160, 10.46.190, or 36.18.040, or other similar statutes if such costs are specifically designated as costs by the court and are awarded for the specific reimbursement of costs incurred by the state, county, city, or town in the prosecution of the case, including the fees of defense counsel. Money remitted under this subsection to the state treasurer shall be deposited as provided in RCW 43.08.250.

(3) The balance of the noninterest money received under this section shall be retained by the city and deposited as provided by law.

(4) Penalties, fines, bail forfeitures, fees, and costs may accrue interest at the rate of twelve percent per annum, upon assignment to a collection agency. Interest may accrue only while the case is in collection status.

(5) Interest retained by the court on penalties, fines, bail forfeitures, fees, and costs shall be split twenty-five percent to the state treasurer for deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the city general fund, and twenty-five percent to the city general fund to fund local courts.

**Sec. 2040 was vetoed. See message at end of chapter.*

Sec. 2041. RCW 35.20.240 and 1965 c 7 s 35.20.240 are each amended to read as follows:

Upon the effective date of this chapter (June 8, 1955), any justice of the peace who was the duly appointed and acting police justice of the city shall become a judge of the municipal court upon his or her filing his or her oath of office and bond as required by this chapter, and shall serve as a judge of said municipal court until the regularly elected judges of the court shall qualify following their election in 1958, or thereafter as provided in RCW 35.20.150. Such judge shall be paid salaries in accordance with this chapter while so serving. Such salaries from the city and county shall be in lieu of those now (June 8, 1955) being paid to the justice of the peace acting as police justice of the city court: PROVIDED, That upon the justices of the peace qualifying as municipal judges under this chapter, the number of justices of the peace for such

city shall be reduced accordingly as provided in RCW 35.20.190. Should any justice of the peace acting as police judge fail to qualify as a judge of the municipal court, the mayor of such city shall designate one of the other justices of the peace of that city to act as municipal judge until the next general election in November, 1958, and the qualifying of the regularly elected judge. All furniture and equipment belonging to the city and county in which the court is situated, now under the care and custody of the justice of the peace and municipal judge, shall be transferred to the municipal court for use in the operation and maintenance of such court.

Sec. 2042. RCW 35.21.260 and 1999 c 204 s 1 are each amended to read as follows:

The governing authority of each city and town on or before May 31st of each year shall submit such records and reports regarding street operations in the city or town to the secretary of transportation on forms furnished by him or her as are necessary to enable him or her to compile an annual report thereon.

Sec. 2043. RCW 35.21.850 and 1982 c 169 s 3 are each amended to read as follows:

No demand for a fee or tax or penalty shall be made by a city or town against a motor carrier of freight for hire on gross income derived from providing transportation services more than four years after the close of the year in which the same accrued except (1) against a taxpayer who has been guilty of fraud or misrepresentation of a material fact; or (2) where a taxpayer has executed a written waiver of such limitations; or (3) against a taxpayer who has not registered as required by the ordinance of the city or town imposing such tax or fee, provided this subsection shall not apply to a taxpayer who has registered in any city or town where the taxpayer maintains an office or terminal, or in the case of a taxpayer who has paid a license fee or tax based on such gross receipts to any city or town levying same which may reasonably be construed to be the principal market of the taxpayer but in which he or she maintains no office or terminal.

Sec. 2044. RCW 35.22.130 and 1967 c 123 s 2 are each amended to read as follows:

A petition containing the demand for the submission of the proposed charter amendment or for an election to be held for the purpose of electing a board of freeholders for the purpose of preparing a new charter for the city as provided in RCW 35.22.140 shall be filed with the city clerk and each signer shall write his or her place of residence after his or her signature. This and RCW 35.22.120 do not deprive city councils of the right to submit proposed charter amendments but affords a concurrent and additional method of submission.

Sec. 2045. RCW 35.22.210 and 1965 c 7 s 35.22.210 are each amended to read as follows:

Any city of the first class having a population less than one hundred thousand by the last federal census and having a charter providing that each of its (~~councilmen~~) councilmembers shall be the commissioner of an administrative department of such city, may by ordinance provide for the separate designation of such (~~councilmen~~) councilmembers as officers, in accordance with such administrative departments, and for their filing for and election to office under such separate designations.

Sec. 2046. RCW 35.22.280 and 2008 c 129 s 1 are each amended to read as follows:

Any city of the first class shall have power:

(1) To provide for general and special elections, for questions to be voted upon, and for the election of officers;

(2) To provide for levying and collecting taxes on real and personal property for its corporate uses and purposes, and to provide for the payment of the debts and expenses of the corporation;

(3) To control the finances and property of the corporation, and to acquire, by purchase or otherwise, such lands and other property as may be necessary for any part of the corporate uses provided for by its charter, and to dispose of any such property as the interests of the corporation may, from time to time, require;

(4) To borrow money for corporate purposes on the credit of the corporation, and to issue negotiable bonds therefor, on such conditions and in such manner as shall be prescribed in its charter; but no city shall, in any manner or for any purpose, become indebted to an amount in the aggregate to exceed the limitation of indebtedness prescribed by chapter 39.36 RCW as now or hereafter amended;

(5) To issue bonds in place of or to supply means to meet maturing bonds or other indebtedness, or for the consolidation or funding of the same;

(6) To purchase or appropriate private property within or without its corporate limits, for its corporate uses, upon making just compensation to the owners thereof, and to institute and maintain such proceedings as may be authorized by the general laws of the state for the appropriation of private property for public use;

(7) To lay out, establish, open, alter, widen, extend, grade, pave, plank, establish grades, or otherwise improve streets, alleys, avenues, sidewalks, wharves, parks, and other public grounds, and to regulate and control the use thereof, and to vacate the same, and to authorize or prohibit the use of electricity at, in, or upon any of said streets, or for other purposes, and to prescribe the terms and conditions upon which the same may be so used, and to regulate the use thereof;

(8) To change the grade of any street, highway, or alley within its corporate limits, and to provide for the payment of damages to any abutting owner or owners who shall have built or made other improvements upon such street, highway, or alley at any point opposite to the point where such change shall be made with reference to the grade of such street, highway, or alley as the same existed prior to such change;

(9) To authorize or prohibit the locating and constructing of any railroad or street railroad in any street, alley, or public place in such city, and to prescribe the terms and conditions upon which any such railroad or street railroad shall be located or constructed; to provide for the alteration, change of grade, or removal thereof; to regulate the moving and operation of railroad and street railroad trains, cars, and locomotives within the corporate limits of said city; and to provide by ordinance for the protection of all persons and property against injury in the use of such railroads or street railroads;

(10) To provide for making local improvements, and to levy and collect special assessments on property benefited thereby, and for paying for the same or any portion thereof;

(11) To acquire, by purchase or otherwise, lands for public parks within or without the limits of such city, and to improve the same. When the language of any instrument by which any property is so acquired limits the use of said property to park purposes and contains a reservation of interest in favor of the grantor or any other person, and where it is found that the property so acquired is not needed for park purposes and that an exchange thereof for other property to be dedicated for park purposes is in the public interest, the city may, with the consent of the grantor or such other person, his or her heirs, successors, or assigns, exchange such property for other property to be dedicated for park purposes, and may make, execute, and deliver proper conveyances to effect the exchange. In any case where, owing to death or lapse of time, there is neither donor, heir, successor, or assignee to give consent, this consent may be executed by the city and filed for record with an affidavit setting forth all efforts made to locate people entitled to give such consent together with the facts which establish that no consent by such persons is attainable. Title to property so conveyed by the city shall vest in the grantee free and clear of any trust in favor of the public arising out of any prior dedication for park purposes, but the right of the public shall be transferred and preserved with like force and effect to the property received by the city in such exchange;

(12) To construct and keep in repair bridges, viaducts, and tunnels, and to regulate the use thereof;

(13) To determine what work shall be done or improvements made at the expense, in whole or in part, of the owners of the adjoining contiguous, or proximate property, or others specially benefited thereby; and to provide for the manner of making and collecting assessments therefor;

(14) To provide for erecting, purchasing, or otherwise acquiring waterworks, within or without the corporate limits of said city, to supply said city and its inhabitants with water, or authorize the construction of same by others when deemed for the best interests of such city and its inhabitants, and to regulate and control the use and price of the water so supplied;

(15) To provide for lighting the streets and all public places, and for furnishing the inhabitants thereof with gas or other lights, and to erect, or otherwise acquire, and to maintain the same, or to authorize the erection and maintenance of such works as may be necessary and convenient therefor, and to regulate and control the use thereof;

(16) To establish and regulate markets, and to provide for the weighing, measuring, and inspection of all articles of food and drink offered for sale thereat, or at any other place within its limits, by proper penalties, and to enforce the keeping of proper legal weights and measures by all vendors in such city, and to provide for the inspection thereof. Whenever the words "public markets" are used in this chapter, and the public market is managed in whole or in part by a public corporation created by a city, the words shall be construed to include all real or personal property located in a district or area designated by a city as a public market and traditionally devoted to providing farmers, crafts vendors and other merchants with retail space to market their wares to the public. Property located in such a district or area need not be exclusively or primarily used for such traditional public market retail activities and may include property used for other public purposes including, but not limited to, the provision of human services and low-income or moderate-income housing;

(17) To erect and establish hospitals and pesthouses, and to control and regulate the same;

(18) To provide for establishing and maintaining reform schools for juvenile offenders;

(19) To provide for the establishment and maintenance of public libraries, and to appropriate, annually, such percent of all moneys collected for fines, penalties, and licenses as shall be prescribed by its charter, for the support of a city library, which shall, under such regulations as shall be prescribed by ordinance, be open for use by the public;

(20) To regulate the burial of the dead, and to establish and regulate cemeteries within or without the corporate limits, and to acquire land therefor by purchase or otherwise; to cause cemeteries to be removed beyond the limits of the corporation, and to prohibit their establishment within two miles of the boundaries thereof;

(21) To direct the location and construction of all buildings in which any trade or occupation offensive to the senses or deleterious to public health or safety shall be carried on, and to regulate the management thereof; and to prohibit the erection or maintenance of such buildings or structures, or the carrying on of such trade or occupation within the limits of such corporation, or within the distance of two miles beyond the boundaries thereof;

(22) To provide for the prevention and extinguishment of fires and to regulate or prohibit the transportation, keeping, or storage of all combustible or explosive materials within its corporate limits, and to regulate and restrain the use of fireworks;

(23) To establish fire limits and to make all such regulations for the erection and maintenance of buildings or other structures within its corporate limits as the safety of persons or property may require, and to cause all such buildings and places as may from any cause be in a dangerous state to be put in safe condition;

(24) To regulate the manner in which stone, brick, and other buildings, party walls, and partition fences shall be constructed and maintained;

(25) To deepen, widen, dock, cover, wall, alter, or change the channels of waterways and courses, and to provide for the construction and maintenance of all such works as may be required for the accommodation of commerce, including canals, slips, public landing places, wharves, docks, and levees, and to control and regulate the use thereof;

(26) To control, regulate, or prohibit the anchorage, moorage, and landing of all watercrafts and their cargoes within the jurisdiction of the corporation;

(27) To fix the rates of wharfage and dockage, and to provide for the collection thereof, and to provide for the imposition and collection of such harbor fees as may be consistent with the laws of the United States;

(28) To license, regulate, control, or restrain wharf boats, tugs, and other boats used about the harbor or within such jurisdiction;

(29) To require the owners of public halls or other buildings to provide suitable means of exit; to provide for the prevention and abatement of nuisances, for the cleaning and purification of watercourses and canals, for the drainage and filling up of ponds on private property within its limits, when the same shall be offensive to the senses or dangerous to health; to regulate and control, and to prevent and punish, the defilement or pollution of all streams running through or into its corporate limits, and for the distance of five miles beyond its corporate

limits, and on any stream or lake from which the water supply of said city is taken, for a distance of five miles beyond its source of supply; to provide for the cleaning of areas, vaults, and other places within its corporate limits which may be so kept as to become offensive to the senses or dangerous to health, and to make all such quarantine or other regulations as may be necessary for the preservation of the public health, and to remove all persons afflicted with any infectious or contagious disease to some suitable place to be provided for that purpose;

(30) To declare what shall be a nuisance, and to abate the same, and to impose fines upon parties who may create, continue, or suffer nuisances to exist;

(31) To regulate the selling or giving away of intoxicating, malt, vinous, mixed, or fermented liquors as authorized by the general laws of the state: PROVIDED, That no license shall be granted to any person or persons who shall not first comply with the general laws of the state in force at the time the same is granted;

(32) To grant licenses for any lawful purpose, and to fix by ordinance the amount to be paid therefor, and to provide for revoking the same. However, no license shall be granted to continue for longer than one year from the date thereof. A city may not require a business to be licensed based solely upon registration under or compliance with the streamlined sales and use tax agreement;

(33) To regulate the carrying on within its corporate limits of all occupations which are of such a nature as to affect the public health or the good order of said city, or to disturb the public peace, and which are not prohibited by law, and to provide for the punishment of all persons violating such regulations, and of all persons who knowingly permit the same to be violated in any building or upon any premises owned or controlled by them;

(34) To restrain and provide for the punishment of vagrants, mendicants, prostitutes, and other disorderly persons;

(35) To provide for the punishment of all disorderly conduct, and of all practices dangerous to public health or safety, and to make all regulations necessary for the preservation of public morality, health, peace, and good order within its limits, and to provide for the arrest, trial, and punishment of all persons charged with violating any of the ordinances of said city. The punishment shall not exceed a fine of five thousand dollars or imprisonment in the city jail for one year, or both such fine and imprisonment. The punishment for any criminal ordinance shall be the same as the punishment provided in state law for the same crime. Such cities alternatively may provide that violations of ordinances constitute a civil violation subject to monetary penalties, but no act which is a state crime may be made a civil violation;

(36) To project or extend its streets over and across any tidelands within its corporate limits, and along or across the harbor areas of such city, in such manner as will best promote the interests of commerce;

(37) To provide in their respective charters for a method to propose and adopt amendments thereto.

Sec. 2047. RCW 35.22.610 and 1967 ex.s. c 37 s 1 are each amended to read as follows:

Notwithstanding the provisions of RCW 35.21.200, as now or hereafter amended, all cities of the first class shall have the right and authority to appoint

and employ a person as a regular or special police officer of said city regardless of his or her place of residence or domicile at the date of his or her appointment.

This provision shall supersede any provision of any city charter to the contrary.

Sec. 2048. RCW 35.23.010 and 1965 c 7 s 35.23.010 are each amended to read as follows:

Every city of the second class shall be entitled "City of" (naming it), and by such name shall have perpetual succession; may sue and be sued in all courts and in all proceedings; shall have and use a common seal which it may alter at pleasure; may acquire, hold, lease, use and enjoy property of every kind and control and dispose of it for the common benefit; and, upon making a finding that any property acquired for park purposes is not useful for such purposes and that an exchange thereof for other property to be dedicated for park purposes is in the public interest, may, with the consent of the dedicator or donor, his or her heirs, successors or assigns, exchange such property for other property to be dedicated for park purposes and make, execute and deliver proper conveyances to effect the exchange. In any case where owing to death or lapse of time there is neither donor, heir, successor, nor assigns to give consent to the exchange, then this consent may be executed by the grantee. Title to property so conveyed by the city shall vest in the grantee free and clear of any trust in favor of the public arising out of any prior dedication for park purposes.

Sec. 2049. RCW 35.23.111 and 1965 c 7 s 35.24.110 are each amended to read as follows:

The city attorney shall advise the city authorities and officers in all legal matters pertaining to the business of the city and shall approve all ordinances as to form. He or she shall represent the city in all actions brought by or against the city or against city officials in their official capacity. He or she shall perform such other duties as the city council by ordinance may direct.

Sec. 2050. RCW 35.23.131 and 1965 c 7 s 35.24.130 are each amended to read as follows:

The city treasurer shall receive and safely keep all money which comes into his or her hands as treasurer, for all of which he or she shall execute triplicate receipts, one to be filed with the city clerk. He or she shall receive all money due the city and disburse it on warrants issued by the clerk countersigned by the mayor, and not otherwise. He or she shall make monthly settlements with the city clerk at which time he or she shall deliver to the clerk the duplicate receipts for all money received and all canceled warrants as evidence of money paid.

Sec. 2051. RCW 35.23.144 and 1969 c 116 s 4 are each amended to read as follows:

In the event that the office of treasurer is combined with the office of clerk so as to become the office of clerk-treasurer, the clerk shall exercise all the powers vested in and perform all the duties required to be performed by the treasurer, and in cases where the law requires the treasurer to sign or execute any papers or documents, it shall not be necessary for the clerk to sign as treasurer, but shall be sufficient if he or she signs as clerk.

Sec. 2052. RCW 35.23.410 and 1965 c 7 s 35.23.410 are each amended to read as follows:

The city council may lease for business purposes portions of the ends of streets terminating in the waterfront or navigable waters of the city with the written consent of all the property owners whose properties abut upon the portion proposed to be leased. The lease may be made for any period not exceeding fifteen years but must provide that at intervals of every five years during the term, the rental to be paid by the lessee shall be readjusted between him or her and the city by mutual agreement, or if they cannot agree by a board of arbitration, one to be chosen by the city, one by the lessee and the third by the other two, their decision to be final. The vote of two-thirds of all the ~~((councilmen))~~ councilmembers elected is necessary to authorize such a lease.

Sec. 2053. RCW 35.23.440 and 2008 c 129 s 2 are each amended to read as follows:

The city council of each second-class city shall have power and authority:

(1) Ordinances: To make and pass all ordinances, orders, and resolutions not repugnant to the Constitution of the United States or the state of Washington, or the provisions of this title, necessary for the municipal government and management of the affairs of the city, for the execution of the powers vested in said body corporate, and for the carrying into effect of the provisions of this title.

(2) License of shows: To fix and collect a license tax, for the purposes of revenue and regulation, on theatres, melodeons, balls, concerts, dances, theatrical, circus, or other performances, and all performances where an admission fee is charged, or which may be held in any house or place where wines or liquors are sold to the participants; also all shows, billiard tables, pool tables, bowling alleys, exhibitions, or amusements.

(3) Hotels, etc., licenses: To fix and collect a license tax for the purposes of revenue and regulation on and to regulate all taverns, hotels, restaurants, banks, brokers, manufactories, livery stables, express companies and persons engaged in transmitting letters or packages, railroad, stage, and steamboat companies or owners, whose principal place of business is in such city, or who have an agency therein.

(4) Peddlers', etc., licenses: To license, for the purposes of revenue and regulation, tax, prohibit, suppress, and regulate all raffles, hawkers, peddlers, pawnbrokers, refreshment or coffee stands, booths, or sheds; and to regulate as authorized by state law all tippling houses, dram shops, saloons, bars, and barrooms.

(5) Dance houses: To prohibit or suppress, or to license and regulate all dance houses, fandango houses, or any exhibition or show of any animal or animals.

(6) License vehicles: To license for the purposes of revenue and regulation, and to tax hackney coaches, cabs, omnibuses, drays, market wagons, and all other vehicles used for hire, and to regulate their stands, and to fix the rates to be charged for the transportation of persons, baggage, and property.

(7) Hotel runners: To license or suppress runners for steamboats, taverns, or hotels.

(8) License generally: To fix and collect a license tax for the purposes of revenue and regulation, upon all occupations and trades, and all and every kind of business authorized by law not heretofore specified. However, on any

business, trade, or calling not provided by law to be licensed for state and county purposes, the amount of license shall be fixed at the discretion of the city council, as they may deem the interests and good order of the city may require. A city may not require a business to be licensed based solely upon registration under or compliance with the streamlined sales and use tax agreement.

(9) Riots: To prevent and restrain any riot or riotous assemblages, disturbance of the peace, or disorderly conduct in any place, house, or street in the city.

(10) Nuisances: To declare what shall be deemed nuisances; to prevent, remove, and abate nuisances at the expense of the parties creating, causing, or committing or maintaining the same, and to levy a special assessment on the land or premises whereon the nuisance is situated to defray the cost or to reimburse the city for the cost of abating the same.

(11) Stock pound: To establish, maintain, and regulate a common pound for estrays, and to appoint a poundkeeper, who shall be paid out of the fines and fees imposed and collected of the owners of any animals impounded, and from no other source; to prevent and regulate the running at large of any and all domestic animals within the city limits or any parts thereof, and to regulate or prevent the keeping of such animals within any part of the city.

(12) Control of certain trades: To control and regulate slaughterhouses, washhouses, laundries, tanneries, forges, and offensive trades, and to provide for their exclusion or removal from the city limits, or from any part thereof.

(13) Street cleaning: To provide, by regulation, for the prevention and summary removal of all filth and garbage in streets, sloughs, alleys, back yards, or public grounds of such city, or elsewhere therein.

(14) Gambling, etc.: To prohibit and suppress all gaming and all gambling or disorderly houses, and houses of ill fame, and all immoral and indecent amusements, exhibitions, and shows.

(15) Markets: To establish and regulate markets and market places.

(16) Speed of railroad cars: To fix and regulate the speed at which any railroad cars, streetcars, automobiles, or other vehicles may run within the city limits, or any portion thereof.

(17) City commons: To provide for and regulate the commons of the city.

(18) Fast driving: To regulate or prohibit fast driving or riding in any portion of the city.

(19) Combustibles: To regulate or prohibit the loading or storage of gunpowder and combustible or explosive materials in the city, or transporting the same through its streets or over its waters.

(20) Property: To have, purchase, hold, use, and enjoy property of every name or kind whatsoever, and to sell, lease, transfer, mortgage, convey, control, or improve the same; to build, erect, or construct houses, buildings, or structures of any kind needful for the use or purposes of such city.

(21) Fire department: To establish, continue, regulate, and maintain a fire department for such city, to change or reorganize the same, and to disband any company or companies of the said department; also, to discontinue and disband said fire department, and to create, organize, establish, and maintain a paid fire department for such city.

(22) Water supply: To adopt, enter into, and carry out means for securing a supply of water for the use of such city or its inhabitants, or for irrigation purposes therein.

(23) Overflow of water: To prevent the overflow of the city or to secure its drainage, and to assess the cost thereof to the property benefited.

(24) House numbers: To provide for the numbering of houses.

(25) Health board: To establish a board of health; to prevent the introduction and spread of disease; to establish a city infirmary and to provide for the indigent sick; and to provide and enforce regulations for the protection of health, cleanliness, peace, and good order of the city; to establish and maintain hospitals within or without the city limits; to control and regulate interments and to prohibit them within the city limits.

(26) Harbors and wharves: To build, alter, improve, keep in repair, and control the waterfront; to erect, regulate, and repair wharves, and to fix the rate of wharfage and transit of wharf, and levy dues upon vessels and commodities; and to provide for the regulation of berths, landing, stationing, and removing steamboats, sail vessels, rafts, barges, and all other watercraft; to fix the rate of speed at which steamboats and other steam watercraft may run along the waterfront of the city; to build bridges so as not to interfere with navigation; to provide for the removal of obstructions to the navigation of any channel or watercourses or channels.

(27) License of steamers: To license steamers, boats, and vessels used in any watercourse in the city, and to fix and collect a license tax thereon.

(28) Ferry licenses: To license ferries and toll bridges under the law regulating the granting of such license.

(29) Penalty for violation of ordinances: To provide that violations of ordinances with the punishment for any offense not exceeding a fine of five thousand dollars or imprisonment for more than one year, or both fine and imprisonment, but the punishment for any criminal ordinance shall be the same as the punishment provided in state law for the same crime. Alternatively, such a city may provide that a violation of an ordinance constitutes a civil violation subject to monetary penalties or to determine and impose fines for forfeitures and penalties, but no act which is a state crime may be made a civil violation. A violation of an order, regulation, or ordinance relating to traffic including parking, standing, stopping, and pedestrian offenses is a traffic infraction, except that violation of an order, regulation, or ordinance equivalent to those provisions of Title 46 RCW set forth in RCW 46.63.020 remains a misdemeanor.

(30) Police department: To create and establish a city police; to prescribe their duties and their compensation; and to provide for the regulation and government of the same.

(31) Examine official accounts: To examine, either in open session or by committee, the accounts or doings of all officers or other persons having the care, management, or disposition of moneys, property, or business of the city.

(32) Contracts: To make all appropriations, contracts, or agreements for the use or benefit of the city and in the city's name.

(33) Streets and sidewalks: To provide by ordinance for the opening, laying out, altering, extending, repairing, grading, paving, planking, graveling, macadamizing, or otherwise improving of public streets, avenues, and other public ways, or any portion of any thereof; and for the construction, regulation,

and repair of sidewalks and other street improvements, all at the expense of the property to be benefited thereby, without any recourse, in any event, upon the city for any portion of the expense of such work, or any delinquency of the property holders or owners, and to provide for the forced sale thereof for such purposes; to establish a uniform grade for streets, avenues, sidewalks, and squares, and to enforce the observance thereof.

(34) Waterways: To clear, cleanse, alter, straighten, widen, fill up, or close any waterway, drain, or sewer, or any watercourse in such city when not declared by law to be navigable, and to assess the expense thereof, in whole or in part, to the property specially benefited.

(35) Sewerage: To adopt, provide for, establish, and maintain a general system of sewerage, draining, or both, and the regulation thereof; to provide funds by local assessments on the property benefited for the purpose aforesaid and to determine the manner, terms, and place of connection with main or central lines of pipes, sewers, or drains established, and compel compliance with and conformity to such general system of sewerage or drainage, or both, and the regulations of said council thereto relating, by the infliction of suitable penalties and forfeitures against persons and property, or either, for nonconformity to, or failure to comply with the provisions of such system and regulations or either.

(36) Buildings and parks: To provide for all public buildings, public parks, or squares, necessary or proper for the use of the city.

(37) Franchises: To permit the use of the streets for railroad or other public service purposes.

(38) Payment of judgments: To order paid any final judgment against such city, but none of its lands or property of any kind or nature, taxes, revenue, franchise, or rights, or interest, shall be attached, levied upon, or sold in or under any process whatsoever.

(39) Weighing of fuel: To regulate the sale of coal and wood in such city, and may appoint a measurer of wood and weigher of coal for the city, and define his or her duties, and may prescribe his or her term of office, and the fees he or she shall receive for his or her services: PROVIDED, That such fees shall in all cases be paid by the parties requiring such service.

(40) Hospitals, etc.: To erect and establish hospitals and pesthouses and to control and regulate the same.

(41) Waterworks: To provide for the erection, purchase, or otherwise acquiring of waterworks within or without the corporate limits of the city to supply such city and its inhabitants with water, and to regulate and control the use and price of the water so supplied.

(42) City lights: To provide for lighting the streets and all public places of the city and for furnishing the inhabitants of the city with gas, electric, or other light, and for the ownership, purchase or acquisition, construction, or maintenance of such works as may be necessary or convenient therefor: PROVIDED, That no purchase of any such water plant or light plant shall be made without first submitting the question of such purchase to the electors of the city.

(43) Parks: To acquire by purchase or otherwise land for public parks, within or without the limits of the city, and to improve the same.

(44) Bridges: To construct and keep in repair bridges, and to regulate the use thereof.

(45) Power of eminent domain: In the name of and for the use and benefit of the city, to exercise the right of eminent domain, and to condemn lands and property for the purposes of streets, alleys, parks, public grounds, waterworks, or for any other municipal purpose and to acquire by purchase or otherwise such lands and property as may be deemed necessary for any of the corporate uses provided for by this title, as the interests of the city may from time to time require.

(46) To provide for the assessment of taxes: To provide for the assessment, levying, and collecting of taxes on real and personal property for the corporate uses and purposes of the city and to provide for the payment of the debts and expenses of the corporation.

(47) Local improvements: To provide for making local improvements, and to levy and collect special assessments on the property benefited thereby and for paying the same or any portion thereof; to determine what work shall be done or improvements made, at the expense, in whole or in part, of the adjoining, contiguous, or proximate property, and to provide for the manner of making and collecting assessments therefor.

(48) Cemeteries: To regulate the burial of the dead and to establish and regulate cemeteries, within or without the corporate limits, and to acquire lands therefor by purchase or otherwise.

(49) Fire limits: To establish fire limits with proper regulations and to make all needful regulations for the erection and maintenance of buildings or other structures within the corporate limits as safety of persons or property may require, and to cause all such buildings and places as may from any cause be in a dangerous state to be put in a safe condition; to regulate the manner in which stone, brick, and other buildings, party walls, and partition fences shall be constructed and maintained.

(50) Safety and sanitary measures: To require the owners of public halls, theaters, hotels, and other buildings to provide suitable means of exit and proper fire escapes; to provide for the cleaning and purification of watercourses and canals and for the draining and filling up of ponds on private property within its limits when the same shall be offensive to the senses or dangerous to the health, and to charge the expense thereof to the property specially benefited, and to regulate and control and provide for the prevention and punishment of the defilement or pollution of all streams running in or through its corporate limits and a distance of five miles beyond its corporate limits, and of any stream or lake from which the water supply of the city is or may be taken and for a distance of five miles beyond its source of supply, and to make all quarantine and other regulations as may be necessary for the preservation of the public health and to remove all persons afflicted with any contagious disease to some suitable place to be provided for that purpose.

(51) To regulate liquor traffic: To regulate the selling or giving away of intoxicating, spirituous, malt, vinous, mixed, or fermented liquors as authorized by the general laws of the state.

(52) To establish streets on tidelands: To project or extend or establish streets over and across any tidelands within the limits of such city.

(53) To provide for the general welfare.

Sec. 2054. RCW 35.27.030 and 1965 c 7 s 35.27.030 are each amended to read as follows:

Whenever a petition is presented to the council of any incorporated town in this state, signed by not less than five electors of such town, setting forth that in the belief of the petitioners, the boundaries of said town are indefinite and uncertain and that on account of such indefiniteness and uncertainty the legality of the taxes levied within such town are in danger of being affected, and setting forth the particular causes or reasons of such alleged indefiniteness or uncertainty, it shall be the duty of the town council to cause the petition to be filed and recorded by the clerk, and to cause a copy of the same to be made and certified by the clerk and the corporate seal of such town to be attached to said certificate, and the mayor of such town shall forthwith present said certified copy of the petition to the board of county commissioners of the county wherein said town is situated, with a written request to be signed by him or her as such mayor that the said board of county commissioners proceed to examine the boundaries of such town or city, and make the same definite and certain.

Sec. 2055. RCW 35.27.050 and 1965 c 7 s 35.27.050 are each amended to read as follows:

The board of county commissioners, without unnecessary delay, shall make and file a report of their doings in the premises in the office of the county auditor, who shall transmit a certified copy thereof under the seal of the county, to the clerk of the town, and the clerk shall record the same in the records of the town, and keep the copy on file in his or her office. The report shall contain the description of the boundary of the town, as fixed by the board, written in plain words and figures and the boundaries so made and fixed shall be the boundaries of the town, and all the territory included within the boundary lines so established shall be included in the town, and be a part thereof.

Sec. 2056. RCW 35.27.090 and 1979 ex.s. c 126 s 23 are each amended to read as follows:

All general municipal elections in towns shall be held biennially in the odd-numbered years as provided in RCW ((29.13.020)) 29A.04.330. The term of office of the mayor and treasurer shall be four years and until their successors are elected and qualified and assume office in accordance with RCW ((29.04.170)) 29A.20.040: PROVIDED, That the term of the treasurer shall not commence in the same biennium in which the term of the mayor commences. ((Councilmen)) Councilmembers shall be elected for four year terms and until their successors are elected and qualified and assume office in accordance with RCW ((29.04.170)) 29A.20.040; three at one election and two at the next succeeding biennial election.

Sec. 2057. RCW 35.27.120 and 1986 c 167 s 19 are each amended to read as follows:

Every officer of a town before entering upon the duties of his or her office shall take and file with the county auditor his or her oath of office. The clerk, treasurer, and marshal before entering upon their respective duties shall also each execute a bond approved by the council in such penal sum as the council by ordinance may determine, conditioned for the faithful performance of his or her duties including in the same bond the duties of all offices of which he or she is made ex officio incumbent.

All bonds, when approved, shall be filed with the town clerk, except the bonds of the clerk which shall be filed with the mayor.

Sec. 2058. RCW 35.27.170 and 1965 c 7 s 35.27.170 are each amended to read as follows:

The town treasurer shall receive and safely keep all money which comes into his or her hands as treasurer, for all of which he or she shall give duplicate receipts, one of which shall be filed with the clerk. He or she shall pay out the money on warrants signed by the mayor and countersigned by the clerk and not otherwise. He or she shall make monthly settlements with the clerk.

Sec. 2059. RCW 35.27.190 and 1965 c 7 s 35.27.190 are each amended to read as follows:

Upon the consolidation of the office of treasurer with that of clerk, the office of treasurer shall be abolished and the clerk shall exercise all the powers and perform all the duties required by statute or ordinance to be performed by the treasurer; in the execution of any papers his or her designation as clerk shall be sufficient.

Upon the consolidation of the office of clerk with that of treasurer, the treasurer shall exercise all the powers vested in and perform all the duties required to be performed by the clerk.

Sec. 2060. RCW 35.27.230 and 1965 c 7 s 35.27.230 are each amended to read as follows:

The proceedings of the town council shall be kept in a book marked "records of council."

The town clerk shall keep a book marked "town accounts," in which shall be entered on the debit side all moneys received by the town including but not limited to proceeds from licenses and general taxes and in which shall be entered on the credit side all warrants drawn on the treasury.

He or she shall also keep a book marked "marshal's account" in which he or she shall charge the marshal with all licenses delivered to him or her and credit him or her with all money collected and paid in.

He or she shall also keep a book marked "treasurer's account" in which he or she shall keep a full account of the transactions of the town with the treasurer.

He or she shall also keep a book marked "licenses" in which he or she shall enter all licenses issued by him or her—the date thereof, to whom issued, for what, the time they expire, and the amount paid.

Each of the foregoing books, except the records of the council, shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein.

He or she shall also keep a book marked "demands and warrants" in which he or she shall enter every demand against the town at the time of filing it. He or she shall state therein the final disposition of each demand and if it is allowed and a warrant drawn, he or she shall state the number of the warrant and its date. This book shall contain an index in which reference shall be made to each demand.

Sec. 2061. RCW 35.27.280 and 1965 c 107 s 2 are each amended to read as follows:

A majority of the ((~~councilmen~~)) councilmembers shall constitute a quorum for the transaction of business, but a lesser number may adjourn from time to

time and may compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance.

The mayor shall preside at all meetings of the council. The mayor shall have a vote only in case of a tie in the votes of the ~~((councilmen))~~ councilmembers. In the absence of the mayor the council may appoint a president pro tempore; in the absence of the clerk, the mayor or president pro tempore, shall appoint one of the councilmembers as clerk pro tempore. The council may establish rules for the conduct of its proceedings and punish any members or other person for disorderly behavior at any meeting. At the desire of any member, the ayes and noes shall be taken on any question and entered in the journal.

Sec. 2062. RCW 35.27.310 and 1965 c 7 s 35.27.310 are each amended to read as follows:

The town clerk shall keep a book marked "ordinances" into which he or she shall copy all town ordinances, with his or her certificate annexed to said copy stating that the foregoing ordinance is a true and correct copy of an ordinance of the town, and giving the number and title of the ordinance, and stating that it has been published or posted according to law. Such record copy, with the clerk's certificate, shall be prima facie evidence of the contents of the ordinance and of its passage and publication, and shall be admissible as such in any court or proceeding. Such record shall not be filed in any case but shall be returned to the custody of the clerk. Nothing herein shall be construed to prevent the proof of the passage and publication of ordinances in the usual way. The book of ordinances shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein.

Sec. 2063. RCW 35.27.330 and 1965 c 7 s 35.27.330 are each amended to read as follows:

No ordinance or resolution granting any franchise for any purpose shall be passed by the council on the day of its introduction, nor within five days thereafter, nor at any other than a regular meeting, and no such ordinance or resolution shall have any validity or effect unless passed by the vote of at least three ~~((councilmen))~~ councilmembers. The town council may require a bond in a reasonable amount from any persons and corporations obtaining a franchise from the town conditioned for the faithful performance of the conditions and terms of the franchise and providing a recovery on the bond in case of failure to perform the terms and conditions of the franchise.

Sec. 2064. RCW 35.27.340 and 1965 c 7 s 35.27.340 are each amended to read as follows:

All demands against a town shall be presented to and audited by the council in accordance with such regulations as they may by ordinance prescribe. Upon allowance of a demand the mayor shall draw a warrant therefor upon the treasurer; the warrant shall be countersigned by the clerk and shall specify the purpose for which it is drawn.

The town clerk and his or her deputy shall take all necessary affidavits to claims against the town and certify them.

Sec. 2065. RCW 35.32A.020 and 1967 c 7 s 4 are each amended to read as follows:

There shall be a budget director, appointed by the mayor without regard to civil service rules and regulations and subject to confirmation by a majority of the members of the city council, who shall be in charge of the city budget office and, under the direction of the mayor, shall be responsible for preparing the budget and supervising its execution. The budget director may be removed by the mayor upon filing with the city council a statement of his or her reasons therefor.

Sec. 2066. RCW 35.32A.060 and 1985 c 175 s 64 are each amended to read as follows:

Every city having a population of over three hundred thousand may maintain an emergency fund, which fund balance shall not exceed thirty-seven and one-half cents per thousand dollars of assessed value. Such fund shall be maintained by an annual budget allowance. When the necessity therefor arises transfers may be made to the emergency fund from any tax-supported fund except bond interest and redemption funds.

The city council by an ordinance approved by two-thirds of all of its members may authorize the expenditure of sufficient money from the emergency fund, or other designated funds, to meet the expenses or obligations:

(1) Caused by fire, flood, explosion, storm, earthquake, epidemic, riot, insurrection, act of God, act of the public enemy or any other such happening that could not have been anticipated; or

(2) For the immediate preservation of order or public health or for the restoration to a condition of usefulness of public property the usefulness of which has been destroyed by accident; or

(3) In settlement of approved claims for personal injuries or property damages, exclusive of claims arising from the operation of a public utility owned by the city; or

(4) To meet mandatory expenditures required by laws enacted since the last budget was adopted.

The city council by an ordinance approved by three-fourths of all its members may appropriate from the emergency fund, or other designated funds, an amount sufficient to meet the actual necessary expenditures of the city for which insufficient or no appropriations have been made due to causes which could not reasonably have been foreseen at the time of the making of the budget.

An ordinance authorizing an emergency expenditure shall become effective immediately upon being approved by the mayor or upon being passed over his or her veto as provided by the city charter.

Sec. 2067. RCW 35.33.011 and 1981 c 40 s 1 are each amended to read as follows:

Unless the context clearly indicates otherwise, the following words as used in this chapter shall have the meaning herein prescribed:

(1) "Clerk" as used in this chapter includes the officer performing the functions of a finance or budget director, comptroller, auditor, or by whatever title he or she may be known in any city or town.

(2) "Department" as used in this chapter includes each office, division, service, system or institution of the city or town for which no other statutory or charter provision is made for budgeting and accounting procedures or controls.

(3) "Legislative body" as used in this chapter includes council, commission or any other group of officials serving as the legislative body of a city or town.

(4) "Chief administrative officer" as used in this chapter includes the mayor of cities or towns having a mayor-council form of government, the commissioners in cities or towns having a commission form of government, the city manager, or any other city or town official designated by the charter or ordinances of such city or town under the plan of government governing the same, or the budget or finance officer designated by the mayor, manager or commissioners, to perform the functions, or portions thereof, contemplated by this chapter.

(5) "Fiscal year" as used in this chapter means that fiscal period set by the city or town pursuant to authority given under RCW 1.16.030.

(6) "Fund", as used in this chapter and "funds" where clearly used to indicate the plural of "fund", shall mean the budgeting or accounting entity authorized to provide a sum of money for specified activities or purposes.

(7) "Funds" as used in this chapter where not used to indicate the plural of "fund" shall mean money in hand or available for expenditure or payment of a debt or obligation.

(8) Except as otherwise defined herein, municipal accounting terms used in this chapter shall have the meaning prescribed by the state auditor pursuant to RCW 43.09.200.

Sec. 2068. RCW 35.33.055 and 1969 ex.s. c 95 s 6 are each amended to read as follows:

The chief administrative officer shall prepare the preliminary budget in detail, making any revisions or additions to the reports of the department heads deemed advisable by such chief administrative officer and at least sixty days before the beginning of the city's or town's next fiscal year he or she shall file it with the clerk as the recommendation of the chief administrative officer for the final budget. The clerk shall provide a sufficient number of copies of such preliminary budget and budget message to meet the reasonable demands of taxpayers therefor and have them available for distribution not later than six weeks before the beginning of the city's or town's next fiscal year.

Sec. 2069. RCW 35.33.135 and 1969 ex.s. c 95 s 20 are each amended to read as follows:

At a time fixed by the city's or town's ordinance or city charter, not later than the first Monday in October of each year, the chief administrative officer shall provide the city's or town's legislative body with current information on estimates of revenues from all sources as adopted in the budget for the current year, together with estimates submitted by the clerk under RCW 35.33.051. The city's or town's legislative body and the city's or town's administrative officer or his or her designated representative shall consider the city's or town's total anticipated financial requirements for the ensuing fiscal year, and the legislative body shall determine and fix by ordinance the amount to be raised by ad valorem taxes. Upon adoption of the ordinance fixing the amount of ad valorem taxes to

be levied, the clerk shall certify the same to the board of county commissioners as required by RCW 84.52.020.

Sec. 2070. RCW 35.33.170 and 1969 ex.s. c 95 s 25 are each amended to read as follows:

Upon the conviction of any city or town official, department head or other city or town employee of knowingly failing, or refusing, without just cause, to perform any duty imposed upon such officer or employee by this chapter, or city charter or city or town ordinance, in connection with the giving of notice, the preparing and filing of estimates of revenues or expenditures or other information required for preparing a budget report in the time and manner required, or of knowingly making expenditures in excess of budget appropriations, he or she shall be guilty of a misdemeanor and shall be fined not more than five hundred dollars for each separate violation.

Sec. 2071. RCW 35.36.010 and 1965 c 7 s 35.36.010 are each amended to read as follows:

The mayor, city comptroller and city clerk of every city of the first class may each severally designate one or more bonded persons to affix his or her signature to any bond or bonds requiring his or her signature.

If the signature of one of these officers is affixed to a bond during his or her continuance in office by a proxy designated by him or her whose authority has not been revoked, the bond shall be as binding upon the city and all concerned as though the officer had signed the bond in person.

This chapter shall apply to all bonds, whether they constitute obligations of the city as a whole or of any local improvement or other district or subdivision thereof, whether they call for payment from the general funds of the city or from a local, special or other fund, and whether negotiable or otherwise.

Sec. 2072. RCW 35.36.050 and 1965 c 7 s 35.36.050 are each amended to read as follows:

A mayor, comptroller, or clerk authorizing the affixing of his or her signature to a bond by a proxy shall be subject to the same liability personally and on his or her bond for any signature so affixed and to the same extent as if he or she had affixed his or her signature in person.

Sec. 2073. RCW 35.36.060 and 1965 c 7 s 35.36.060 are each amended to read as follows:

In order to designate a proxy to affix his or her signature to bonds, a mayor, comptroller, or clerk shall address a written notice to the governing body of the city giving the name of the person whom he or she has selected therefor and stating generally or specifically what bonds are to be so signed.

Attached to or included in the notice shall be a written signature of the officer making the designation executed by the proposed proxy followed by the word "by" and his or her own signature; or, if the notice so states, the specimen signatures may consist of a facsimile reproduction of the officer's signature impressed by some mechanical process followed by the word "by" and the proxy's own signature.

If the authority is intended to include the signature upon bonds bearing an earlier date than the effective date of the notice, the prior dated bonds must be specifically described by reasonable reference thereto.

The notice designating a proxy shall be filed with the city comptroller or city clerk, together with the specimen signatures attached thereto and a record of the filing shall be made in the journal of the governing body. This record shall note the date and hour of filing and may be made by the official who keeps the journal at any time after filing of the notice, even during a period of recess or adjournment of the governing body. The notice shall be effective from the time of its recording.

Sec. 2074. RCW 35.37.120 and 1983 c 167 s 38 are each amended to read as follows:

If the council of any city or town which has issued general indebtedness bonds fails to make any levy necessary to make principal or interest payments due on the bonds, the owner of any bond or interest payment which has been presented to the treasurer and payment thereof refused because of the failure to make a levy may file the bond together with any unpaid coupons with the county auditor, taking his or her receipt therefor.

The county auditor shall register bonds so filed, and the county legislative authority at its next session at which it levies the annual county tax shall add to the city's or town's levy a sum sufficient to realize the amount of principal and interest past due and to become due prior to the next annual levy to be collected and held by the county treasurer and paid out only upon warrants drawn by the county auditor as the payments mature in favor of the owner of the bond as shown by the auditor's register. Similar levies shall be made in each succeeding year until the bonds and any coupons or interest payments are fully satisfied.

This remedy is alternative and in addition to any other remedy which the owner of such a bond or coupon may have.

Sec. 2075. RCW 35.38.050 and 1965 c 7 s 35.38.050 are each amended to read as follows:

The foregoing provisions of this chapter shall in no way affect the duty of a city or town treasurer to give bond to the city or town for the faithful performance of his or her duties in such amount as may be fixed by the city or town council or other governing body by ordinance.

Sec. 2076. RCW 35.39.060 and 1982 c 166 s 1 are each amended to read as follows:

Any city or town now or hereafter operating an employees' pension system with the approval of the board otherwise responsible for management of its respective funds may invest, reinvest, manage, contract, sell, or exchange investments acquired. Investments shall be made in accordance with investment policy duly established and published by the board. In discharging its duties under this section, the board shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man or woman acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; shall diversify the investments of the employees' pension system so as to minimize the risk of large losses; and shall act in accordance with the documents and instruments governing the employees' pension system, insofar as such documents and instruments are consistent with the provisions of this title.

Sec. 2077. RCW 35.44.190 and 1985 c 397 s 9 are each amended to read as follows:

Whenever any assessment roll for local improvements has been confirmed by the council, the regularity, validity, and correctness of the proceedings relating to the improvement and to the assessment therefor, including the action of the council upon the assessment roll and the confirmation thereof shall be conclusive in all things upon all parties. They cannot in any manner be contested or questioned in any proceeding by any person unless he or she filed written objections to the assessment roll in the manner and within the time required by the provisions of this chapter and unless he or she prosecutes his or her appeal in the manner and within the time required by the provisions of this chapter.

No proceeding of any kind shall be commenced or prosecuted for the purpose of defeating or contesting any assessment or the sale of any property to pay an assessment or any certificate of delinquency issued therefor, or the foreclosure of any lien therefor, except that injunction proceedings may be brought to prevent the sale of any real estate upon the ground (1) that the property about to be sold does not appear upon the assessment roll or, (2) that the assessment has been paid.

If federal, local, or state funds become available for a local improvement after the assessment roll has been confirmed by the city legislative authority, the funds may be used to lower the assessments on a uniform basis. Any adjustments to the assessments because of the availability of federal or state funds may be made on the next annual payment.

Sec. 2078. RCW 35.44.220 and 1971 ex.s. c 116 s 3 are each amended to read as follows:

At the time of filing the notice of appeal with the clerk of the superior court, the appellant shall execute and file with him or her a sufficient bond in the penal sum of two hundred dollars, with at least two sureties to be approved by the judge of the court, conditioned to prosecute the appeal without delay and, if unsuccessful, to pay all reasonable costs and expenses which the city or town incurs by reason of the appeal. Upon application therefor, the court may order the appellant to execute and file such additional bonds as the necessity of the case may require.

Sec. 2079. RCW 35.44.230 and 1971 c 81 s 90 are each amended to read as follows:

Within ten days from the filing of the notice of appeal, the appellant shall file with the clerk of the superior court a transcript consisting of the assessment roll and his or her objections thereto, together with the ordinance confirming the assessment roll and the record of the council with reference to the assessment. This transcript, upon payment of the necessary fees therefor, shall be furnished by the city or town clerk and shall be certified by him or her to contain full, true and correct copies of all matters and proceedings required to be included in the transcript. The fees payable therefor shall be the same as those payable to the clerk of the superior court for the preparation and certification of transcripts on appeal to the supreme court or the court of appeals in civil actions.

Sec. 2080. RCW 35.44.270 and 1988 c 202 s 37 are each amended to read as follows:

A certified copy of the decision of the superior court pertaining to assessments for local improvements shall be filed with the officer having custody of the assessment roll and he or she shall modify and correct the assessment roll in accordance with the decision. In the event appellate review of the decision is sought, a certified copy of the court's order shall be filed with the officer having custody of the assessment roll and the officer shall thereupon modify and correct the assessment roll in accordance with the order.

Sec. 2081. RCW 35.45.080 and 2002 c 41 s 3 are each amended to read as follows:

If a city or town fails to pay any bonds or to promptly collect any local improvement assessments when due, the owner of the bonds may proceed in his or her own name to collect the assessment and foreclose the lien thereof in any court of competent jurisdiction and shall recover in addition to the amount of the bond and interest thereon, five percent, together with the cost of suit. Any number of holders of bonds for any single improvement may join as plaintiffs and any number of owners of property upon which the assessments are liens may be joined as defendants in the same suit.

The owners of local improvement bonds issued by a city or town after the creation of a local improvement guaranty fund therein, shall also have recourse against the local improvement guaranty fund of such city or town unless the ordinance under which the bonds were issued provides that the bonds are not secured by the local improvement guaranty fund.

Sec. 2082. RCW 35.45.090 and 1965 c 7 s 35.45.090 are each amended to read as follows:

Any funds in the treasury of any municipal corporation belonging to the fund of any local improvement district after the payment of the whole cost and expense of such improvement, in excess of the total sum required to defray all the expenditures by such municipal corporation on account thereof, shall be refunded, on demand, to the payers into such fund. Each such payer shall be entitled to such proportion of such excess as his or her original assessment bears to the entire original assessment levied for such improvement. Such municipal corporation may, after one year from the date on which the last installment becomes due, transfer any balance remaining on hand to the general fund of such municipal corporation, but shall, notwithstanding such transfer remain liable for the refund herein provided for until such refund shall have been made, unless the actual cost involved in making such refund shall exceed the excess in such fund.

Such demand shall be made in writing to the treasurer of such municipal corporation. No action shall be commenced in any court to obtain any such refund, except upon such demand, and until ninety days after making such demand. No excess shall be recovered in any action where the excess in the fund does not average the sum of one dollar in favor of all payers into such fund.

This section shall not be deemed to require the refunding of any balance left in any local improvement fund after the payment of all outstanding obligations issued against such fund, where such balance accrues from any saving in interest or from penalties collected upon delinquent assessments, but any such balance,

whether accruing heretofore or hereafter, may be turned into the general fund or otherwise disposed of, as the legislative authority of the city may direct.

The provisions of this chapter relating to the refund of excess local improvement district funds shall not apply to any district whose obligations are guaranteed by the local improvement guaranty fund.

Sec. 2083. RCW 35.45.130 and 1981 c 323 s 3 are each amended to read as follows:

Every city and town may provide by ordinance for the issuance of warrants in payment of the cost and expense of any local improvement, payable out of the local improvement district fund. The warrants shall bear interest at a rate or rates established by the issuing officer under the direction of the legislative authority of the city or town and shall be redeemed either in cash or by local improvement bonds for the same improvement authorized by ordinance.

All warrants against any local improvement fund sold by the city or town or issued to a contractor and by him or her sold or hypothecated for a valuable consideration shall be claims and liens against the improvement fund against which they are drawn prior and superior to any right, lien, or claim of any surety upon the bond or bonds given to the city or town by or for the contractor to secure the performance of his or her contract or to secure the payment of persons who have performed work thereon, furnished materials therefor, or provisions and supplies for the carrying on of the work.

Sec. 2084. RCW 35.45.150 and 1983 c 167 s 44 are each amended to read as follows:

In addition to the issuance of bonds and warrants in payment of the cost and expense of any local improvement, any city or town may also issue and sell installment notes payable out of the local improvement district fund. Such installment notes may be issued any time after the thirty day period allowed by law for the payment of assessments of any district without penalty or interest, and may bear any denomination or denominations, the aggregate of which shall represent the balance of the cost and expense of the local improvement district which is to be borne by the property owners therein.

Application of local improvement district funds for the reduction of the principal and interest amounts due on any notes herein provided to finance said improvement shall be made not less than once each year beginning with the issue date thereof. Appropriate notification of such application of funds shall be made by the city or town treasurer to the registered payees of said notes, except those notes owned by funds of the issuing municipality. Such notes may be registered as provided in RCW 39.46.030. If more than one local improvement installment note is issued for a single district, said notes shall be numbered consecutively. All notes issued shall bear on the face thereof: (1) The name of the payee; (2) the number of the local improvement district from whose funds the notes are payable; (3) the date of issue of each note; (4) the date on which the note, or the final installment thereon shall become due; (5) the rate or rates of interest, as provided by the city or town legislative authority, to be paid on the unpaid balance thereof, and; (6) such manual or facsimile signatures and attestations as are required by state statute or city charter to appear on the warrants of each issuing municipality.

The reverse side of each installment note issued pursuant to this section shall bear a tabular payment record which shall indicate at prescribed installment dates, the receipt of any local improvement district funds for the purpose of servicing the debt evidenced by said notes. Such receipts shall first be applied toward the interest due on the unpaid balance of the note, and any additional moneys shall thereafter apply as a reduction of the principal amount thereof. The tabular payment record shall, in addition to the above, show the unpaid principal balance due on each installment note, together with sufficient space opposite each transaction affecting said note for the manual signature of the city's or town's clerk, treasurer or other properly designated receiving officer of the municipality, or of any other registered payee presenting said note for such installment payments.

Whenever there are insufficient funds in a local improvement district to meet any payment of installment interest due on any note herein authorized, a noninterest-bearing defaulted installment interest certificate shall be issued by the city or town treasurer which shall consist of a written statement certifying the amount of such defaulted interest installment; the name of the payee of the note to whom the interest is due and the number of the local improvement district from whose funds the note and interest thereon is payable. Such certificates may be registered as provided in RCW 39.46.030. The certificate herein provided shall bear the manual signature of the city or town treasurer or his or her authorized agent. The defaulted installment interest certificate so issued shall be redeemed for the face amount thereof with any available funds in the local improvement guaranty fund.

Whenever at the date of maturity of any installment note issued pursuant to this section, there are insufficient funds in a local improvement district, due to delinquencies in the collection of assessments, to pay the final installment of the principal due thereon, the note shall be redeemed with any available funds in the local improvement guaranty fund for the amount of said final installment.

All certificates and notes issued pursuant to this section are to become subject to the same redemption privileges as apply to any local improvement district bonds and warrants now accorded the protection of the local improvement guaranty fund as provided in chapter 35.54 RCW, and whenever the certificates or notes issued as herein provided are redeemed by said local improvement guaranty fund, they shall be held therein as investments thereof in the same manner as prescribed for other defaulted local improvement district obligations.

Notwithstanding any other statutory provisions, local improvement installment notes authorized by this section which are within the protection of the local improvement guaranty fund law shall be considered legal investments for any available surplus funds of the issuing municipality which now or hereafter may be authorized to be invested in the city's or town's local improvement districts' bonds or warrants and shall be considered legal investments for all national and state banks, savings and loan institutions, and any and all other commercial banking or financial institutions to the same extent that the local improvement district bonds and any coupons issued pursuant to the provisions of this chapter have been and are legal investments for such institutions. Any such local improvement installment notes may be transferred or sold by said city or town upon such terms or conditions and in such manner as

the local governing body of said city or town may determine, or may be issued to another fund of the city or town: PROVIDED, HOWEVER, That the same shall not be sold at less than par plus accrued interest.

Notwithstanding the provisions of this section, such notes and certificates may be issued, and such notes may be sold, in accordance with chapter 39.46 RCW.

Sec. 2085. RCW 35.49.010 and 1972 ex.s. c 137 s 1 are each amended to read as follows:

All assessments for local improvements in local improvement districts shall be collected by the city treasurer and shall be kept in a separate fund to be known as "local improvement fund, district No. . . ." and shall be used for no other purpose than the redemption of warrants drawn upon and bonds issued against the fund to provide payment for the cost and expense of the improvement.

All assessments for local improvements in a utility local improvement district shall be collected by the city treasurer, shall be paid into the appropriate revenue bond fund, and shall be used for no other purpose than the redemption of revenue bonds issued to provide funds for the cost and expense of the improvement.

As soon as the assessment roll has been placed in the hands of the city or town treasurer for collection, he or she shall publish a notice in the official newspaper of the city or town once a week for two consecutive weeks, that the roll is in his or her hands for collection and that all or any portion of the assessment may be paid within thirty days from the date of the first publication of the notice without penalty, interest or costs.

Within fifteen days of the first newspaper publication, the city or town treasurer shall notify each owner or reputed owner whose name appears on the assessment roll, at the address shown on the tax rolls of the county treasurer for each item of property described on the list, of the nature of the assessment, of the amount of his or her real property subject to such assessment, of the total amount of assessment due, and of the time during which such assessment may be paid without penalty, interest, or costs.

Sec. 2086. RCW 35.49.040 and 1965 c 7 s 35.49.040 are each amended to read as follows:

The owner of any lot, tract, or parcel of land or other property charged with local improvement assessment may redeem it from all or any portion thereof by paying to the city or town treasurer all or any portion thereof without interest within thirty days after the first publication by the treasurer of notice that the assessment roll is in his or her hands for collection.

Sec. 2087. RCW 35.49.090 and 1965 c 7 s 35.49.090 are each amended to read as follows:

If any assessment for a local improvement, or an installment thereof, or judgment for either of them is paid, or a certificate of sale for either of them is redeemed by a joint owner of any of the property so assessed, he or she may, after demand and refusal, recover from his or her co-owners, by an action brought in superior court, the respective portions of the payment which each co-owner should bear. He or she shall have a lien upon the undivided interests of his or her co-owners from the date of the payment made by him or her and in the

action shall recover interest at ten percent from the date of payment by him or her and the costs of the action in addition to the principal sum due him or her.

Sec. 2088. RCW 35.49.100 and 1965 c 7 s 35.49.100 are each amended to read as follows:

If, through error or inadvertence, a person pays any assessment for a local improvement or an installment thereof upon the lands of another, he or she may, after demand and refusal, recover from the owner of such lands, by an action in the superior court, the amount so paid and the costs of the action.

Sec. 2089. RCW 35.50.005 and 1969 ex.s. c 258 s 16 are each amended to read as follows:

Within fifteen days after any city or town has ordered a local improvement and created a local improvement district, the city or town shall cause to be filed with the officer authorized by law to collect the assessments for such improvement, the title of the improvement and district number and a copy of the diagram or print showing the boundaries of the district and preliminary assessment roll or abstract of same showing thereon the lots, tracts and parcels of land that will be specially benefited thereby and the estimated cost and expense of such improvement to be borne by each lot, tract, or parcel of land. Such officer shall immediately post the proposed assessment roll upon his or her index of local improvement assessments against the properties affected by the local improvement.

Sec. 2090. RCW 35.50.225 and 1982 c 91 s 6 are each amended to read as follows:

In foreclosing local improvement assessments, the summons shall be substantially in the following form:

SUPERIOR COURT OF WASHINGTON FOR [.] COUNTY			
. , <i>Plaintiff,</i> v. , <i>Defendant.</i>	<table border="0" style="width: 100%;"> <tr> <td style="font-size: 4em; vertical-align: middle; padding-right: 10px;">}</td> <td> No SUMMONS FOR FORECLOSURE OF LOCAL IMPROVEMENT ASSESSMENT LIEN </td> </tr> </table>	}	No SUMMONS FOR FORECLOSURE OF LOCAL IMPROVEMENT ASSESSMENT LIEN
}	No SUMMONS FOR FORECLOSURE OF LOCAL IMPROVEMENT ASSESSMENT LIEN		

To the Defendant: A lawsuit has been started against you in the above entitled court by , plaintiff. Plaintiff's claim is stated in the written complaint, a copy of which is served upon you with this summons. The purpose of this suit is to foreclose on your interest in the following described property:

[legal description]

which is located at:

[street address]

In order to defend against this lawsuit, you must respond to the complaint by stating your defense in writing, and by serving a copy upon the person signing this summons within ((20)) twenty days after the service of this summons, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where plaintiff is entitled to what he or she asks for because you have not responded. If you serve a notice of appearance on the undersigned person, you are entitled to notice before a default judgment may be entered.

IMPORTANT NOTICE

If judgment is taken against you, either by default or after hearing by the court, your property will be sold at public auction.

You may prevent the sale by paying the amount of the judgment at any time prior to the sale.

If your property is sold, you may redeem the property at any time up to two years after the date of the sale, by paying the amount for which the property was sold, plus interest and costs of the sale.

If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written response, if any, may be served on time.

[signed]

.....

Print or Type Name

() Plaintiff () Plaintiff's
Attorney

P.O. Address

Dated Telephone Number

Sec. 2091. RCW 35.53.070 and 1967 c 52 s 23 are each amended to read as follows:

In such an action the court after acquiring jurisdiction shall proceed as in the case of a receivership except that the city or town shall serve as trustee in lieu of a receiver.

The assets of the improvement districts involved shall be sold at such prices and in such manner as the court may deem advisable and be applied to the costs and expenses of the action and the liquidation of the bonds and warrants of the districts or revenue bonds to which utility local improvement assessments are pledged to pay.

No notice to present claims other than the summons in the action shall be necessary. Any claim presented shall be accompanied by the bonds and warrants upon which it is based. Dividends upon any bonds or warrants for which no claim was filed shall be paid into the general fund of the city or town, but the

owner thereof may obtain it at any time within five years thereafter upon surrender and cancellation of his or her bonds and warrants.

Upon the termination of the receivership the city or town shall be discharged from all trusts relating to the property, funds, bonds, and warrants involved in the action.

Sec. 2092. RCW 35.54.100 and 1972 ex.s. c 137 s 3 are each amended to read as follows:

Whenever payment of a local improvement district assessment is deferred pursuant to the provisions of RCW 35.43.250 the amount of the deferred assessment shall be paid out of the local improvement guaranty fund. The local improvement guaranty fund shall have a lien on the benefited property in an amount equal to the deferral together with interest as provided for by the establishing ordinance.

The lien may accumulate up to an amount not to exceed the sum of two installments: PROVIDED, That the ordinance creating the local improvement district may provide for one or additional deferrals of up to two installments. Local improvement assessment obligations deferred under chapter 137, Laws of 1972 ex. sess. shall become payable upon the earliest of the following dates:

(1) Upon the date and pursuant to conditions established by the political subdivision granting the deferral; or

(2) Upon the sale of property which has a deferred assessment lien upon it from the purchase price; or

(3) Upon the death of the person to whom the deferral was granted from the value of his or her estate; except a surviving spouse shall be allowed to continue the deferral which shall then be payable by that spouse as provided in this section.

Sec. 2093. RCW 35.55.070 and 1965 c 7 s 35.55.070 are each amended to read as follows:

When such assessment roll has been prepared it shall be filed in the office of the city clerk and thereupon the city clerk shall give notice by publication in at least three issues of the official paper that such roll is on file in his or her office and that at a date mentioned in said notice, which shall be at least twenty days after the date of the first publication thereof, the city council will sit as a board of equalization to equalize said roll and to hear, consider and determine protests and objections against the same.

At the time specified in the notice, the city council shall sit as a board of equalization to equalize the roll and they may adjourn the sitting from time to time until the equalization of such roll is completed. The city council as board of equalization may hear, consider and determine objections and protests against any assessment and may make such alterations and modifications in the assessment roll as justice and equity may require.

Sec. 2094. RCW 35.56.040 and 1965 c 7 s 35.56.040 are each amended to read as follows:

Upon the introduction of an ordinance providing for such fill, if the city council or commission desires to proceed, it shall fix a time, not less than ten days, in which protests against said fill may be filed in the office of the city clerk. Thereupon it shall be the duty of the clerk of said city to publish in the official newspaper of said city in at least two consecutive issues thereof before

the time fixed for the filing of protests, a notice of the time fixed for the filing of protests together with a copy of the proposed ordinance as introduced.

Protests against the proposed fill to be effective must be filed by the owners of more than half of the area of land situated within the proposed filling district exclusive of streets, alleys and public places on or before the date fixed for such filing. If an effective protest is filed the council shall not proceed further unless two-thirds of the members of the city council vote to proceed with the work; if the city is operating under a commission form of government composed of three commissioners, the commission shall not proceed further except by a unanimous affirmative vote of all the members thereof, if the commission is composed of five members, at least four affirmative votes thereof shall be necessary before proceeding.

If no effective protest is filed or if an effective protest is filed and two-thirds of the ~~((councilmen))~~ councilmembers vote to proceed with the work or in cases where cities are operating under the commission form of government, the commissioners vote unanimously or four out of five commissioners vote to proceed with the work, the city council or commission shall at such meeting or in a succeeding meeting proceed to pass the proposed ordinance for the work, with such amendments and modifications as to the said city council or commission of said city may seem proper. The local improvement district shall be called "filling district No. . . ."

Sec. 2095. RCW 35.56.080 and 1965 c 7 s 35.56.080 are each amended to read as follows:

When such assessment roll has been prepared it shall be filed in the office of the city clerk and thereupon the city clerk shall give notice by publication in at least three issues of the official paper that such roll is on file in his or her office and on a date mentioned in said notice, which shall be at least twenty days after the date of the first publication thereof, the city council or commission will sit as a board of equalization to equalize said roll and to hear, consider and determine protests and objections against the same.

At the time specified in the notice, the city council or commission shall sit as a board of equalization to equalize the roll and they may adjourn the sitting from time to time until the equalization of such roll is completed. The city council or commission as such board of equalization may hear, consider and determine objections and protests against any assessment and make such alterations and modifications in the assessment roll as justice and equity may require.

Sec. 2096. RCW 35.56.140 and 1965 c 7 s 35.56.140 are each amended to read as follows:

The city may guarantee the payment of the whole or any part of the bonds issued against a local improvement district, but the guaranties on the part of the city shall be made only by ordinance passed by the vote of not less than two-thirds of the ~~((councilmen))~~ councilmembers and the approval of the mayor, or three commissioners in case the governing body consist of three commissioners, or four where such city is governed by five commissioners.

Sec. 2097. RCW 35.58.070 and 1965 c 7 s 35.58.070 are each amended to read as follows:

A metropolitan municipal corporation may be created by vote of the qualified electors residing in a metropolitan area in the manner provided in this chapter. An election to authorize the creation of a metropolitan municipal corporation may be called pursuant to resolution or petition in the following manner:

(1) A resolution or concurring resolutions calling for such an election may be adopted by either:

(a) The city council of a central city; or

(b) The city councils of two or more component cities other than a central city; or

(c) The board of commissioners of a central county.

A certified copy of such resolution or certified copies of such concurring resolutions shall be transmitted to the board of commissioners of the central county.

(2) A petition calling for such an election shall be signed by at least four percent of the qualified voters residing within the metropolitan area and shall be filed with the auditor of the central county.

Any resolution or petition calling for such an election shall describe the boundaries of the proposed metropolitan area, name the metropolitan function or functions which the metropolitan municipal corporation shall be authorized to perform initially and state that the formation of the metropolitan municipal corporation will be conducive to the welfare and benefit of the persons and property within the metropolitan area. After the filing of a first sufficient petition or resolution with such county auditor or board of county commissioners respectively, action by such auditor or board shall be deferred on any subsequent petition or resolution until after the election has been held pursuant to such first petition or resolution.

Upon receipt of such a petition, the auditor shall examine the same and certify to the sufficiency of the signatures thereon. For the purpose of examining the signatures on such petition, the auditor shall be permitted access to the voter registration books of each component county and each component city. No person may withdraw his or her name from a petition after it has been filed with the auditor. Within thirty days following the receipt of such petition, the auditor shall transmit the same to the board of commissioners of the central county, together with his or her certificate as to the sufficiency thereof.

Sec. 2098. RCW 35.58.100 and 1967 c 105 s 2 are each amended to read as follows:

A metropolitan municipal corporation may be authorized to perform one or more metropolitan functions in addition to those which it has previously been authorized to perform, with the approval of the voters at an election, in the manner provided in this section.

An election to authorize a metropolitan municipal corporation to perform one or more additional metropolitan functions may be called pursuant to a resolution or a petition in the following manner:

(1) A resolution calling for such an election may be adopted by:

(a) The city council of the central city; or

(b) The city councils of at least one-half in number of the component cities other than the central city; or

(c) The board of commissioners of the central county. Such resolution shall be transmitted to the metropolitan council.

(2) A petition calling for such an election shall be signed by at least four percent of the registered voters residing within the metropolitan area and shall be filed with the auditor of the central county.

Any resolution or petition calling for such an election shall name the additional metropolitan functions which the metropolitan municipal corporation shall be authorized to perform.

Upon receipt of such a petition, the auditor shall examine the signatures thereon and certify to the sufficiency thereof. For the purpose of examining the signatures on such petition, the auditor shall be permitted access to all voter registration books of any component county and of all component cities. No person may withdraw his or her name from a petition after it has been filed with the auditor. Within thirty days following the receipt of such petition, the auditor shall transmit the same to the metropolitan council, together with his or her certificate as to the sufficiency of signatures thereon.

Upon receipt of a valid resolution or duly certified petition calling for an election on the authorization of the performance of one or more additional metropolitan functions, the metropolitan council shall cause to be called a special election to be held not more than one hundred and twenty days nor less than sixty days following such receipt. Such special election shall be conducted and canvassed as provided in this chapter for an election on the question of forming a metropolitan municipal corporation. The ballot proposition shall be in substantially the following form:

"Shall the metropolitan municipal corporation be authorized to perform the additional metropolitan functions of (here insert the title of each of the additional functions to be authorized as set forth in the petition or resolution)?

YES ☐

NO ☐ "

If a majority of the persons voting on the proposition shall vote in favor thereof, the metropolitan municipal corporation shall be authorized to perform such additional metropolitan function or functions.

Sec. 2099. RCW 35.58.130 and 1965 c 7 s 35.58.130 are each amended to read as follows:

At the first meeting of the metropolitan council following the formation of a metropolitan municipal corporation, the mayor of the central city shall serve as temporary ((~~chairman~~)) chair. As its first official act the council shall elect a ((~~chairman~~)) chair. The ((~~chairman~~)) chair shall be a voting member of the council and shall preside at all meetings. In the event of his or her absence or inability to act the council shall select one of its members to act as ((~~chairman~~)) chair pro tempore. A majority of all members of the council shall constitute a quorum for the transaction of business. A smaller number of councilmembers than a quorum may adjourn from time to time and may compel the attendance of absent members in such manner and under such penalties as the council may

provide. The council shall determine its own rules and order of business, shall provide by resolution for the manner and time of holding all regular and special meetings and shall keep a journal of its proceedings which shall be a public record. Every legislative act of the council of a general or permanent nature shall be by resolution.

Sec. 2100. RCW 35.58.140 and 1971 ex.s. c 303 s 6 are each amended to read as follows:

Each member of a metropolitan council except those selected under the provisions of RCW 35.58.120 ~~((1)(a), (5), (7), and (8)))~~, shall hold office at the pleasure of the body which selected him or her. Each member, who shall hold office ex officio, may not hold office after he or she ceases to hold the position of elected county executive, mayor, commissioner, or ~~((councilman))~~ councilmember. The ~~((chairman))~~ chair shall hold office until the second Tuesday in July of each even-numbered year and may, if reelected, serve more than one term. Each member shall hold office until his or her successor has been selected as provided in this chapter.

Sec. 2101. RCW 35.58.150 and 1984 c 44 s 1 are each amended to read as follows:

A vacancy in the office of a member of the metropolitan council shall be filled in the same manner as provided for the original selection. The meeting of mayors to fill a vacancy of the member selected under the provisions of RCW 35.58.120~~((4))~~ or of special district representatives to fill a vacancy of a member selected under RCW 35.58.120~~((7))~~ shall be held at such time and place as shall be designated by the ~~((chairman))~~ chair of the metropolitan council after ten days' written notice mailed to the mayors of each of the cities specified in RCW 35.58.120~~((4))~~ or to the representatives of the special purpose districts specified in RCW 35.58.120~~((7))~~, whichever is applicable.

Sec. 2102. RCW 35.58.160 and 1985 c 330 s 1 are each amended to read as follows:

The ~~((chairman))~~ chair and committee ~~((chairmen))~~ chairs of the metropolitan council except elected public officials serving on a full-time salaried basis may receive such compensation as the other members of the metropolitan council shall provide. Members of the council other than the ~~((chairman))~~ chair and committee ~~((chairmen))~~ chairs shall receive compensation of fifty dollars per day or portion thereof for attendance at metropolitan council or committee meetings, or for performing other services on behalf of the metropolitan municipal corporation, but not exceeding a total of four thousand eight hundred dollars in any year, in addition to any compensation which they may receive as officers of component cities or counties: PROVIDED, That elected public officers serving in such capacities on a full-time basis shall not receive compensation for attendance at metropolitan, council, or committee meetings, or otherwise performing services on behalf of the metropolitan municipal corporation: PROVIDED FURTHER, That committee ~~((chairmen))~~ chairs shall not receive compensation in any one year greater than one-third of the compensation authorized for the county commissioners or county ~~((councilmen))~~ councilmembers of the central county.

Any member of the council may waive all or any portion of his or her compensation payable under this section as to any month or months during his or

her term of office, by a written waiver filed with the council as provided in this section. The waiver, to be effective, must be filed any time after the member's selection and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

All members of the council shall be reimbursed for expenses actually incurred by them in the conduct of official business for the metropolitan municipal corporation.

Sec. 2103. RCW 35.58.210 and 1999 c 153 s 33 are each amended to read as follows:

If a metropolitan municipal corporation shall be authorized to perform the function of metropolitan water pollution abatement, the metropolitan council shall, prior to the effective date of the assumption of such function, cause a metropolitan water pollution abatement advisory committee to be formed by notifying the legislative body of each component city and county which operates a sewer system to appoint one person to serve on such advisory committee and the board of commissioners of each water-sewer district which operates a sewer system, any portion of which lies within the metropolitan area, to appoint one person to serve on such committee who shall be a commissioner of such a water-sewer district. The metropolitan water pollution abatement advisory committee shall meet at the time and place provided in the notice and elect a ~~((chairman))~~ chair. The members of such committee shall serve at the pleasure of the appointing bodies and shall receive no compensation other than reimbursement for expenses actually incurred in the performance of their duties. The function of such advisory committee shall be to advise the metropolitan council in matters relating to the performance of the water pollution abatement function.

Sec. 2104. RCW 35.58.230 and 1999 c 153 s 35 are each amended to read as follows:

If a metropolitan municipal corporation shall be authorized to perform the function of metropolitan water supply, the metropolitan council shall, prior to the effective date of the assumption of such function, cause a metropolitan water advisory committee to be formed by notifying the legislative body of each component city which operates a water system to appoint one person to serve on such advisory committee and the board of commissioners of each water-sewer district that operates a water system, any portion of which lies within the metropolitan area, to appoint one person to serve on such committee who shall be a water-sewer district commissioner. The metropolitan water advisory committee shall meet at the time and place provided in the notice and elect a ~~((chairman))~~ chair. The members of such committee shall serve at the pleasure of the appointing bodies and shall receive no compensation other than reimbursement for expenses actually incurred in the performance of their duties. The function of such advisory committee shall be to advise the metropolitan council with respect to matters relating to the performance of the water supply function.

The requirement to create a metropolitan water advisory committee shall not apply to a county that has assumed the rights, powers, functions, and obligations of the metropolitan municipal corporation under chapter 36.56 RCW.

Sec. 2105. RCW 35.58.265 and 1965 c 91 s 1 are each amended to read as follows:

If a metropolitan municipal corporation shall perform the metropolitan transportation function and shall acquire any existing transportation system, it shall assume and observe all existing labor contracts relating to such system and, to the extent necessary for operation of facilities, all of the employees of such acquired transportation system whose duties are necessary to operate efficiently the facilities acquired shall be appointed to comparable positions to those which they held at the time of such transfer, and no employee or retired or pensioned employee of such systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he or she enjoyed as an employee of such system prior to such acquisition. The metropolitan municipal corporation shall engage in collective bargaining with the duly appointed representatives of any employee labor organization having existing contracts with the acquired transportation system and may enter into labor contracts with such employee labor organization.

Sec. 2106. RCW 35.58.270 and 1993 c 240 s 6 are each amended to read as follows:

If a metropolitan municipal corporation shall be authorized to perform the function of metropolitan transportation with a commission form of management, a metropolitan transit commission shall be formed prior to the effective date of the assumption of such function. Except as provided in this section, the metropolitan transit commission shall exercise all powers of the metropolitan municipal corporation with respect to metropolitan transportation facilities, including but not limited to the power to construct, acquire, maintain, operate, extend, alter, repair, control and manage a local public transportation system within and without the metropolitan area, to establish new passenger transportation services and to alter, curtail, or abolish any services as the commission may deem desirable and to fix tolls and fares.

The comprehensive plan for public transportation service and any amendments thereof shall be adopted by the metropolitan council and the metropolitan transit commission shall provide transportation facilities and service consistent with such plan. The metropolitan transit commission shall authorize expenditures for transportation purposes within the budget adopted by the metropolitan council. Tolls and fares may be fixed or altered by the commission only after approval thereof by the metropolitan council. Bonds of the metropolitan municipal corporation for public transportation purposes shall be issued by the metropolitan council as provided in this chapter.

The metropolitan transit commission shall consist of seven members. Six of such members shall be appointed by the metropolitan council and the seventh member shall be the ~~((chairman))~~ chair of the metropolitan council who shall be ex officio the ~~((chairman))~~ chair of the metropolitan transit commission. Three of the six appointed members of the commission shall be residents of the central city and three shall be residents of the metropolitan area outside of the central city. The three central city members of the first metropolitan transit commission shall be selected from the existing transit commission of the central city, if there be a transit commission in such city. The terms of first appointees shall be for one, two, three, four, five and six years, respectively. Thereafter, commissioners

shall serve for a term of four years. Compensation of transit commissioners shall be determined by the metropolitan council.

The requirement to create a metropolitan transit commission shall not apply to a county that has assumed the rights, powers, functions, and obligations of the metropolitan municipal corporation under chapter 36.56 RCW.

Sec. 2107. RCW 35.58.370 and 1965 c 7 s 35.58.370 are each amended to read as follows:

The metropolitan council shall establish and provide for the operation and maintenance of a personnel merit system for the employment, classification, promotion, demotion, suspension, transfer, layoff and discharge of its appointive officers and employees solely on the basis of merit and fitness without regard to political influence or affiliation. The person appointed or body created for the purpose of administering such personnel system shall have power to make, amend and repeal rules and regulations as are deemed necessary for such merit system. Such rules and regulations shall provide:

- (1) That the person to be discharged or demoted must be presented with the reasons for such discharge or demotion specifically stated; and
- (2) That he or she shall be allowed a reasonable time in which to reply thereto in writing and that he or she be given a hearing thereon within a reasonable time.

Sec. 2108. RCW 35.58.390 and 1965 c 7 s 35.58.390 are each amended to read as follows:

Where a metropolitan municipal corporation employs a person employed immediately prior thereto by a component city or county, or by a special district, such employee shall be deemed to remain an employee of such city, county, or special district for the purposes of any pension plan of such city, county, or special district, and shall continue to be entitled to all rights and benefits thereunder as if he or she had remained as an employee of the city, county, or special district, until the metropolitan municipal corporation has provided a pension plan and such employee has elected, in writing, to participate therein.

Until such election, the metropolitan municipal corporation shall deduct from the remuneration of such employee the amount which such employee is or may be required to pay in accordance with the provisions of the plan of such city, county, or special district and the metropolitan municipal corporation shall pay to the city, county, or special district any amounts required to be paid under the provisions of such plan by employer or employee.

Sec. 2109. RCW 35.58.400 and 1965 c 7 s 35.58.400 are each amended to read as follows:

Where a metropolitan municipal corporation employs a person employed immediately prior thereto by a component city or county or by a special district, the employee shall be deemed to remain an employee of such city, county, or special district for the purposes of any sick leave credit plan of the component city, county, or special district until the metropolitan municipal corporation has established a sick leave credit plan for its employees, whereupon the metropolitan municipal corporation shall place to the credit of the employee the sick leave credits standing to his or her credit in the plan of such city, county, or special district.

Where a metropolitan municipal corporation employs a person theretofore employed by a component city, county, or by a special district, the metropolitan municipal corporation shall, during the first year of his or her employment by the metropolitan municipal corporation, provide for such employee a vacation with pay equivalent to that which he or she would have been entitled if he or she had remained in the employment of the city, county, or special district.

Sec. 2110. RCW 35.58.460 and 1993 c 240 s 14 are each amended to read as follows:

(1) A metropolitan municipal corporation may issue revenue bonds to provide funds to carry out its authorized metropolitan water pollution abatement, water supply, garbage disposal or transportation purposes, without submitting the matter to the voters of the metropolitan municipal corporation. The metropolitan council shall create a special fund or funds for the sole purpose of paying the principal of and interest on the bonds of each such issue, into which fund or funds the metropolitan council may obligate the metropolitan municipal corporation to pay such amounts of the gross revenue of the particular utility constructed, acquired, improved, added to, or repaired out of the proceeds of sale of such bonds, as the metropolitan council shall determine and may obligate the metropolitan municipal corporation to pay such amounts out of otherwise unpledged revenue which may be derived from the ownership, use or operation of properties or facilities owned, used or operated incident to the performance of the authorized function for which such bonds are issued or out of otherwise unpledged fees, tolls, charges, tariffs, fares, rentals, special taxes or other sources of payment lawfully authorized for such purpose, as the metropolitan council shall determine. The principal of, and interest on, such bonds shall be payable only out of such special fund or funds, and the owners of such bonds shall have a lien and charge against the gross revenue of such utility or any other revenue, fees, tolls, charges, tariffs, fares, special taxes or other authorized sources pledged to the payment of such bonds.

Such revenue bonds and the interest thereon issued against such fund or funds shall be a valid claim of the owners thereof only as against such fund or funds and the revenue pledged therefor, and shall not constitute a general indebtedness of the metropolitan municipal corporation.

Each such revenue bond shall state upon its face that it is payable from such special fund or funds, and all revenue bonds issued under this chapter shall be negotiable securities within the provisions of the law of this state. Such revenue bonds may be registered either as to principal only or as to principal and interest as provided in RCW 39.46.030, or may be bearer bonds; shall be in such denominations as the metropolitan council shall deem proper; shall be payable at such time or times and at such places as shall be determined by the metropolitan council; shall bear interest at such rate or rates as shall be determined by the metropolitan council; shall be signed by the ((~~chairman~~)) chair and attested by the secretary of the metropolitan council, any of which signatures may be facsimile signatures, and the seal of the metropolitan municipal corporation shall be impressed or imprinted thereon; any attached interest coupons shall be signed by the facsimile signatures of said officials.

Such revenue bonds shall be sold in such manner, at such price and at such rate or rates of interest as the metropolitan council shall deem to be for the best

interests of the metropolitan municipal corporation, either at public or private sale.

The metropolitan council may at the time of the issuance of such revenue bonds make such covenants with the owners of said bonds as it may deem necessary to secure and guarantee the payment of the principal thereof and the interest thereon, including but not being limited to covenants to set aside adequate reserves to secure or guarantee the payment of such principal and interest, to maintain rates sufficient to pay such principal and interest and to maintain adequate coverage over debt service, to appoint a trustee or trustees for the bond owners to safeguard the expenditure of the proceeds of sale of such bonds and to fix the powers and duties of such trustee or trustees and to make such other covenants as the metropolitan council may deem necessary to accomplish the most advantageous sale of such bonds. The metropolitan council may also provide that revenue bonds payable out of the same source may later be issued on a parity with revenue bonds being issued and sold.

The metropolitan council may include in the principal amount of any such revenue bond issue an amount to establish necessary reserves, an amount for working capital and an amount necessary for interest during the period of construction of any such metropolitan facilities plus six months. The metropolitan council may, if it deems it to the best interest of the metropolitan municipal corporation, provide in any contract for the construction or acquisition of any metropolitan facilities or additions or improvements thereto or replacements or extensions thereof that payment therefor shall be made only in such revenue bonds at the par value thereof.

If the metropolitan municipal corporation shall fail to carry out or perform any of its obligations or covenants made in the authorization, issuance and sale of such bonds, the owner of any such bond may bring action against the metropolitan municipal corporation and compel the performance of any or all of such covenants.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 2111. RCW 35.58.530 and 1993 c 240 s 18 are each amended to read as follows:

Territory located within a component county that is annexed to a component city after the establishment of a metropolitan municipal corporation shall by such act be annexed to the metropolitan municipal corporation. Territory within a metropolitan municipal corporation may be annexed to a city which is not within such metropolitan municipal corporation in the manner provided by law and in such event either (1) such city may be annexed to such metropolitan municipal corporation by ordinance of the legislative body of the city concurred in by resolution of the metropolitan council, or (2) if such city shall not be so annexed such territory shall remain within the metropolitan municipal corporation unless such city shall by resolution of its legislative body request the withdrawal of such territory subject to any outstanding indebtedness of the metropolitan corporation and the metropolitan council shall by resolution consent to such withdrawal.

Any territory located within a component county that is contiguous to a metropolitan municipal corporation and lying wholly within an incorporated city or town may be annexed to such metropolitan municipal corporation by

ordinance of the legislative body of such city or town requesting such annexation concurred in by resolution of the metropolitan council.

Any other territory located within a component county that is adjacent to a metropolitan municipal corporation may be annexed thereto by vote of the qualified electors residing in the territory to be annexed, in the manner provided in this chapter. An election to annex such territory may be called pursuant to a petition or resolution in the following manner:

(1) A petition calling for such an election shall be signed by at least four percent of the qualified voters residing within the territory to be annexed and shall be filed with the auditor of the central county.

(2) A resolution calling for such an election may be adopted by the metropolitan council.

Any resolution or petition calling for such an election shall describe the boundaries of the territory to be annexed, and state that the annexation of such territory to the metropolitan municipal corporation will be conducive to the welfare and benefit of the persons or property within the metropolitan municipal corporation and within the territory proposed to be annexed.

Upon receipt of such a petition, the auditor shall examine the same and certify to the sufficiency of the signatures thereon. Within thirty days following the receipt of such petition, the auditor shall transmit the same to the metropolitan council, together with his or her certificate as to the sufficiency thereof.

Sec. 2112. RCW 35.61.230 and 1965 c 7 s 35.61.230 are each amended to read as follows:

Any person, firm or corporation feeling aggrieved by the assessment against his or her or its property may file objections with the city council and may appeal from the order confirming the assessment roll in the same manner as objections and appeals are made in regard to local improvements in cities of the first class.

Sec. 2113. RCW 35.63.020 and 1965 c 7 s 35.63.020 are each amended to read as follows:

If any council or board desires to avail itself of the powers conferred by this chapter it shall create a city or county planning commission consisting of from three to twelve members to be appointed by the mayor or ~~((chairman))~~ chair of the municipality and confirmed by the council or board: PROVIDED, That in cities of the first class having a commission form of government consisting of three or more members, the commissioner of public works shall appoint the planning commission, which appointment shall be confirmed by a majority of the city commissioners. Cities of the first class operating under self-government charters may extend the membership and the duties and powers of its commission beyond those prescribed in this chapter.

Sec. 2114. RCW 35.63.030 and 1965 c 7 s 35.63.030 are each amended to read as follows:

The ordinance, resolution or act creating the commission shall set forth the number of members to be appointed, not more than one-third of which number may be ex officio members by virtue of office held in any municipality. The term of office for ex officio members shall correspond to their respective tenures. The term of office for the first appointive members appointed to such

commission shall be designated from one to six years in such manner as to provide that the fewest possible terms will expire in any one year. Thereafter the term of office for each appointive member shall be six years.

Vacancies occurring otherwise than through the expiration of terms shall be filled for the unexpired term. Members may be removed, after public hearing, by the appointing official, with the approval of his or her council or board, for inefficiency, neglect of duty or malfeasance in office.

The members shall be selected without respect to political affiliations and they shall serve without compensation.

Sec. 2115. RCW 35.63.040 and 1965 c 7 s 35.63.040 are each amended to read as follows:

The commission shall elect its own (~~chairman~~) chair and create and fill such other offices as it may determine it requires. The commission shall hold at least one regular meeting in each month for not less than nine months in each year. It shall adopt rules for transaction of business and shall keep a written record of its meetings, resolutions, transactions, findings and determinations which record shall be a public record.

Sec. 2116. RCW 35.63.100 and 1967 ex.s. c 144 s 8 are each amended to read as follows:

The commission may recommend to its council or board the plan prepared by it as a whole, or may recommend parts of the plan by successive recommendations; the parts corresponding with geographic or political sections, division or subdivisions of the municipality, or with functional subdivisions of the subject matter of the plan, or in the case of counties, with suburban settlement or arterial highway area. It may also prepare and recommend any amendment or extension thereof or addition thereto.

Before the recommendation of the initial plan to the municipality the commission shall hold at least one public hearing thereon, giving notice of the time and place by one publication in a newspaper of general circulation in the municipality and in the official gazette, if any, of the municipality.

The council may adopt by resolution or ordinance and the board may adopt by resolution the plan recommended to it by the commission, or any part of the plan, as the comprehensive plan.

A true copy of the resolution of the board adopting or embodying such plan or any part thereof or any amendment thereto shall be certified by the clerk of the board and filed with the county auditor. A like certified copy of any map or plat referred to or adopted by the county resolution shall likewise be filed with the county auditor. The auditor shall record the resolution and keep on file the map or plat.

The original resolution or ordinance of the council adopting or embodying such plan or any part thereof or any amendment thereto shall be certified by the clerk of the city and filed by him or her. The original of any map or plat referred to or adopted by the resolution or ordinance of the council shall likewise be certified by the clerk of the city and filed by him or her. The clerk shall keep on file the resolution or ordinance and map or plat.

Sec. 2117. RCW 35.68.020 and 1965 c 7 s 35.68.020 are each amended to read as follows:

No such improvement shall be undertaken or required except pursuant to a resolution of the council or commission of the city or town, hereinafter referred to as the city council. The resolution shall state whether the cost of the improvement shall be borne by the city or whether all or a specified portion shall be borne by the city or whether all or a specified portion shall be borne by the abutting property owner; or whether the abutting owner is required to construct the improvement at his or her own cost and expense. If the abutting owner is required to construct the improvement the resolution shall specify the time within which the construction shall be commenced and completed; and further that if the improvement or construction is not undertaken and completed within the time specified that the city will perform or complete the improvement and assess the cost against the abutting owner.

Sec. 2118. RCW 35.69.030 and 1965 c 7 s 35.69.030 are each amended to read as follows:

Whenever the city council of any such city has adopted such resolution it shall cause a notice to be served on the owner of the property directly abutting on such portion of such street, instructing him or her to construct or reconstruct a sidewalk on such portion in accordance with the plans and specifications which shall be attached to such notice. The notice shall be deemed sufficiently served if delivered in person to the owner or if left at the home of such owner with a person of suitable age and discretion then resident therein, or with an agent of such owner, authorized to collect rentals on such property, or, if the owner is a nonresident of the state of Washington, by mailing a copy to his or her last known address, or if he or she is unknown or if his or her address is unknown, then by posting a copy in a conspicuous place at such portion of the street where the improvement is to be made. The notice shall specify a reasonable time within which such construction or reconstruction shall be made, and shall state that in case the owner fails to make the same within such time, the city will proceed to make it through the officer or department thereof charged with the inspection of sidewalks and that such officer or department will report to the city council, at a subsequent date, to be definitely stated in the notice, an assessment roll showing the lot or parcel of land directly abutting on such portion of the street so improved, the cost of the improvement, and the name of the owner, if known, and that the city council at the time stated in the notice or at the time or times to which the same may be adjourned, will hear any and all protests against the proposed assessment. Upon the expiration of the time fixed within which the owner is required to construct or reconstruct such sidewalk, if the owner has failed to perform such work, the city may proceed to perform it, and the officer or department of the city performing the work shall, within the time fixed in the notice, report to the city council an assessment roll showing the lot or parcel of land directly abutting on that portion of the street so improved, the cost of the work, and the name of the owner, if known. The city council shall, at the time in such notice designated, or at an adjourned time or times, assess the cost of such improvement against said property and shall fix the time and manner for payment thereof, which said assessment shall become a lien upon said property and shall be collected in the manner as is provided by law for collection of local improvements assessments under this title.

Sec. 2119. RCW 35.70.030 and 1965 c 7 s 35.70.030 are each amended to read as follows:

If in the judgment of the officer or department having superintendence of streets and public places, public convenience or safety requires that a sidewalk be constructed along either side of any street, he or she shall report the fact to the city or town council immediately.

Sec. 2120. RCW 35.70.040 and 1965 c 7 s 35.70.040 are each amended to read as follows:

If upon receiving a report from the proper officer, the city or town council deems the construction of the proposed sidewalk necessary or convenient for the public it shall by an appropriate resolution order the sidewalk constructed and shall cause a written notice to be served upon the owner of each parcel of land abutting upon that portion and side of the street where the sidewalk is constructed requiring him or her to construct the sidewalk in accordance with the resolution.

Sec. 2121. RCW 35.70.060 and 1985 c 469 s 36 are each amended to read as follows:

The notice shall be served:

(1) By delivering a copy to the owner or reputed owner of each parcel of land affected, or to the authorized agent of the owners, or

(2) By leaving a copy thereof at the usual place of abode of the owner in the city or town with a person of suitable age and discretion residing therein, or

(3) If the owner is a nonresident of the city or town and his or her place of residence is known by mailing a copy to the owner addressed to his or her last known place of residence, or

(4) If the place of residence of the owner is unknown or if the owner of any parcel of land affected is unknown, by publication in the official newspaper of the city or town once a week for two consecutive weeks. The notice shall specify a reasonable time within which the sidewalk shall be constructed which in the case of publication of the notice shall not be less than sixty days from the date of the first publication of such notice.

Sec. 2122. RCW 35.71.050 and 1965 c 7 s 35.71.050 are each amended to read as follows:

The corporate authority is authorized to engage duly qualified real estate appraisers, for the purpose of determining the value, or legal damages, if any, to any person, owning or having any legal or equitable interest in any real property who contends that he or she would suffer damage if a projected mall were established; in connection therewith the city shall take into account any increment in value that may result from the establishment of the mall. The appraisers shall submit their findings in writing to the chief executive of the city.

Sec. 2123. RCW 35.77.030 and 1965 c 7 s 35.77.030 are each amended to read as follows:

Pursuant to an agreement authorized by RCW 35.77.020, the board of county commissioners may expend funds from the county road fund for the construction, repair, and maintenance of the streets of such city or town and for engineering and administrative services. Payments by a city or town under such an agreement shall be made to the county treasurer and by him or her deposited in the county road fund. Such construction, repair, maintenance, and

engineering service shall be ordered by resolution and proceedings conducted in respect thereto in the same manner as provided for the construction, repair, and maintenance of county roads by counties, and for the preparation of maps, plans and specifications, advertising and award of contracts therefor: PROVIDED, That except in case of emergency all construction work performed by a county on city streets pursuant to RCW 35.77.020 through 35.77.040, which exceeds ten thousand dollars, shall be done by contract, unless after advertisement and solicitation of competitive bids it appears that bids are unobtainable or that the lowest bid exceeds the amount for which such construction can be done by means other than contract. No street construction project shall be divided into lesser component parts for the purpose of avoiding the requirements for competitive bidding.

Sec. 2124. RCW 35.82.050 and 1998 c 140 s 3 are each amended to read as follows:

(1) No commissioner, employee, or appointee to any decision-making body for the housing authority shall own or hold an interest in any contract or property or engage in any business, transaction, or professional or personal activity, that would:

(a) Be, or appear to be, in conflict with the commissioner's, employee's, or appointee's official duties to any decision-making body for the housing authority duties relating to the housing authority served by or subject to the authority of such commissioner, employee, or appointee to any decision-making body for the housing authority;

(b) Secure, or appear to secure, unwarranted privileges or advantages for such commissioner, employee, or appointee to any decision-making body for the housing authority, or others; or

(c) Prejudice, or appear to prejudice, such commissioner's, employee's, or appointee's to any decision-making body for the housing authority independence of judgment in exercise of his or her official duties relating to the housing authority served by or subject to the authority of the commissioner, employee, or appointee to any decision-making body for the housing authority.

(2) No commissioner, employee, or appointee to any decision-making body for the housing authority shall act in an official capacity in any manner in which such commissioner, employee, or appointee to any decision-making body of the housing authority has a direct or indirect financial or personal involvement.

(3) No commissioner, employee, or appointee to any decision-making body for the housing authority shall use his or her public office or employment to secure financial gain to such commissioner, employee, or appointee to any decision-making body for the housing authority.

(4) If any commissioner or employee of an authority or any appointee to any decision-making body for the housing authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, he or she immediately shall disclose the same in writing to the authority and such disclosure shall be entered upon the minutes of the authority. Failure to disclose such interest shall constitute misconduct in office. Upon such disclosure such commissioner, employee, or appointee to any decision-making body for the housing authority shall not participate in any action by the authority affecting such property.

(5) No provision of this section shall preclude a tenant of the public housing authority from serving as a commissioner, employee, or appointee to any decision-making body of the housing authority. No provision of this section shall preclude a tenant of the public housing authority who is serving as a commissioner, employee, or appointee to any decision-making body of the housing authority from voting on any issue or decision, or participating in any action by the authority, unless a conflict of interest, as set forth in subsections (1) through (4) of this section, exists as to that particular tenant and the particular property or interest at issue before, or subject to action by the housing authority.

Sec. 2125. RCW 35.82.060 and 1965 c 7 s 35.82.060 are each amended to read as follows:

For inefficiency or neglect of duty or misconduct in office, a commissioner of an authority may be removed by the mayor (or in the case of an authority for a county, by the governing body of said county), but a commissioner shall be removed only after he or she shall have been given a copy of the charges at least ten days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the clerk.

Sec. 2126. RCW 35.82.180 and 1965 c 7 s 35.82.180 are each amended to read as follows:

An authority shall have power by its resolution, trust indenture, mortgage, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

(1) To cause possession of any housing project or any part thereof to be surrendered to any such obligee.

(2) To obtain the appointment of a receiver of any housing project of said authority or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he or she may enter and take possession of such housing project or any part thereof and operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said authority as the court shall direct.

(3) To require said authority and the commissioners thereof to account as if it and they were the trustees of an express trust.

Sec. 2127. RCW 35.84.050 and 1965 c 7 s 35.84.050 are each amended to read as follows:

Whenever a ((~~fireman~~)) firefighter engages in any duty outside the limits of such municipality, such duty shall be considered as part of his or her duty as ((~~fireman~~)) firefighter for the municipality, and a ((~~fireman~~)) firefighter who is injured while engaged in such duties outside the limits of the municipality shall be entitled to the same benefits that he or she or his or her family would be entitled to receive had he or she been injured within the municipality.

Sec. 2128. RCW 35.86A.060 and 1969 ex.s. c 204 s 6 are each amended to read as follows:

The parking commission shall select from its members a (~~(chairman)~~) chair, and may establish its own rules, regulations and procedures not inconsistent with this chapter. No resolution shall be adopted by the parking commission except upon the concurrence of at least three members.

Sec. 2129. RCW 35.88.050 and 1965 c 7 s 35.88.050 are each amended to read as follows:

If upon the trial of any person for the violation of any of the provisions of this chapter he or she is found guilty of creating or maintaining a nuisance or of violating any of the provisions of this chapter, he or she shall forthwith abate the nuisance, and if he or she fails so to do within one day after such conviction, unless further time is granted by the court, a warrant shall be issued by the court wherein the conviction was obtained, directed to the sheriff of the county in which such nuisance exists and the sheriff shall forthwith proceed to abate the said nuisance and the cost thereof shall be taxed against the person so convicted as a part of the costs of such case.

Sec. 2130. RCW 35.88.060 and 1965 c 7 s 35.88.060 are each amended to read as follows:

The city health officer, city physician, board of public health, mayor, or any other officer, who has the sanitary condition of the city or town in charge, shall see that the provisions of this chapter are enforced and upon complaint being made to any such officer of an alleged violation, he or she shall immediately investigate the said complaint and if the same appears to be well founded he or she shall file a complaint against the person or persons violating any of the provisions of this chapter and cause their arrest and prosecution.

Sec. 2131. RCW 35.88.090 and 1979 c 141 s 41 are each amended to read as follows:

The secretary of social and health services shall have the power, and it shall be his or her duty, to investigate the system of disposal of sewage, garbage, feculent matter, offal, refuse, filth, or any animal, mineral, or vegetable matter or substance, by cities not located on tidewater, having a population of one hundred thousand or more, and if he or she shall determine upon investigation that any such system or systems of disposal is or may be injurious or dangerous to health, he or she shall have the power, and it shall be his or she duty, to order such city or cities to provide for, construct, and maintain a system or systems of disposal which will not be injurious or dangerous to health.

Sec. 2132. RCW 35.92.260 and 1965 c 130 s 3 are each amended to read as follows:

When a city or town makes local improvements for any of the purposes specified in RCW 35.92.220 and RCW 35.92.230, as now or hereafter amended, the proceedings relative to the creation of districts, financing of improvements, levying and collecting assessments and all other procedure shall be had, and the legislative authority shall proceed in accordance with the provisions of the laws relating to local improvement districts in cities of the first class: PROVIDED, That when the improvement is initiated upon petition, the petition shall set forth the fact that the signers are the owners according to the records in the office of the county auditor, of property to an aggregate amount of a majority of the

surface area within the limits of the assessment district to be created: PROVIDED FURTHER, That when an assessment is made for any purpose other than the construction or reconstruction of any system or means of distribution or delivery of water, it shall not be necessary for the legislative authority to be furnished with a statement of the aggregate assessed valuation of the real estate exclusive of improvements in the district according to the valuation last placed upon it for purposes of general taxation, or the estimated amount of the cost of the improvement to be borne by each tract of land or other property, but a statement by the engineer or other officer, showing the estimated cost of the improvement per square foot, shall be sufficient: PROVIDED FURTHER, That when the legislative authority of a city or town shall deem it necessary to levy special assessments for the purposes specified in RCW 35.92.230, as now or hereafter amended, other than for the purpose of paying the costs of acquiring, constructing or reconstructing any system or means of distribution or delivery of water for irrigation or domestic purposes, the legislative authority for such city or town may hold a single hearing on the assessment rolls for all irrigation local improvement districts within the city or town. Such legislative authority shall fix the date of such hearing and shall direct the city or town clerk to give notice thereof, in the form prescribed by RCW 35.44.080, by publication thereof in a legal newspaper of general circulation in the city or town, once, not less than fifteen days prior to the date fixed for hearing; and by mailing, not less than fifteen days prior to the date fixed for hearing, notice thereof to the owner or reputed owner of each item of property described on the assessment roll whose name appears on such roll at the address of such owner or reputed owner shown on the tax rolls of the county treasurer for each such item of property: PROVIDED FURTHER, That when an assessment roll is once prepared and does not include the cost of purchase, construction, or reconstruction of works of delivery or distribution and the legislative authority of such city or town decides to raise a similar amount the ensuing year, it shall not be necessary to prepare a new assessment roll, but the legislative authority may pass a resolution of intention estimating the cost for the ensuing year to be the same as the preceding year, and directing the clerk to give notice stating the estimated cost per square foot of all land within the district and refer persons interested to the books of the treasurer, and fixing the date for a hearing on such assessment roll. Notice of such hearing shall be given by the city or town clerk in the form and manner required in the preceding proviso. The treasurer shall be present at the hearing and shall note any changes on his or her books. The legislative authority shall have the same right to make changes in the assessment roll as in an original assessment, and after all changes have been made it shall, by ordinance, confirm the assessment and direct the treasurer to extend it on the books of his or her office.

Sec. 2133. RCW 35.94.020 and 1985 c 469 s 40 are each amended to read as follows:

The legislative authority of the city, if it deems it advisable to lease or sell the works, plant, or system, or any part thereof, shall adopt a resolution stating whether it desires to lease or sell. If it desires to lease, the resolution shall state the general terms and conditions of the lease, but not the rent. If it desires to sell the general terms of sale shall be stated, but not the price. The resolution shall direct the city clerk, or other proper official, to publish the resolution not less

than once a week for four weeks in the official newspaper of the city, together with a notice calling for sealed bids to be filed with the clerk or other proper official not later than a certain time, accompanied by a certified check payable to the order of the city, for such amount as the resolution shall require, or a deposit of a like sum in money. Each bid shall state that the bidder agrees that if his or her bid is accepted and he or she fails to comply therewith within the time hereinafter specified, the check or deposit shall be forfeited to the city. If bids for a lease are called for, bidders shall bid the amount to be paid as the rent for each year of the term of the lease. If bids for a sale are called for, the bids shall state the price offered. The legislative authority of the city may reject any or all bids and accept any bid which it deems best. At the first meeting of the legislative authority of the city held after the expiration of the time fixed for receiving bids, or at some later meeting, the bids shall be considered. In order for the legislative authority to declare it advisable to accept any bid it shall be necessary for two-thirds of all the members elected to the legislative authority to vote in favor of a resolution making the declaration. If the resolution is adopted it shall be necessary, in order that the bid be accepted, to enact an ordinance accepting it and directing the execution of a lease or conveyance by the mayor and city clerk or other proper official. The ordinance shall not take effect until it has been submitted to the voters of the city for their approval or rejection at the next general election or at a special election called for that purpose, and a majority of the voters voting thereon have approved it. If approved it shall take effect as soon as the result of the vote is proclaimed by the mayor. If it is so submitted and fails of approval, it shall be rejected and annulled. The mayor shall proclaim the vote as soon as it is properly certified.

Sec. 2134. RCW 35.94.030 and 1965 c 7 s 35.94.030 are each amended to read as follows:

Upon the taking effect of the ordinance the mayor and the city clerk or other proper official shall execute, in the name and on behalf of the city, the lease or conveyance directed thereby. The lessee or grantee shall accept and execute the instrument within ten days after notice of its execution by the city or forfeit to the city, the amount of the check or deposit accompanying his or her bid: PROVIDED, That if litigation in good faith is instituted within ten days to determine the rights of the parties, no forfeiture shall take place unless the lessee or grantee fails for five days after the termination of the litigation in favor of the city to accept and execute the lease or conveyance.

Sec. 2135. RCW 35.96.050 and 1967 c 119 s 6 are each amended to read as follows:

When service from the underground electric and communication facilities is available in all or part of a conversion area, the city or town shall mail a notice to the owners of all structures or improvements served from the existing overhead facilities in the area, which notice shall state that:

- (1) Service from the underground facilities is available;
- (2) All electric and communication service lines from the existing overhead facilities within the area to any structure or improvement must be disconnected and removed within ninety days after the date of the mailing of the notice;
- (3) Should such owner fail to convert such service lines from overhead to underground within ninety days after the date of the mailing of the notice, the

city or town will order the electric and communication utilities to disconnect and remove the service lines;

(4) Should the owner object to the disconnection and removal of the service lines he or she may file his or her written objections thereto with the city or town clerk within thirty days after the date of the mailing of the notice and failure to so object within such time will constitute a waiver of his or her right thereafter to object to such disconnection and removal.

If the owner of any structure or improvement served from the existing overhead electric and communication facilities within a conversion area shall fail to convert to underground the service lines from such overhead facilities to such structure or improvement within ninety days after the mailing to him or her of the notice, the city or town shall order the electric and communication utilities to disconnect and remove all such service lines: PROVIDED, That if the owner has filed his or her written objections to such disconnection and removal with the city or town clerk within thirty days after the mailing of the notice then the city or town shall not order such disconnection and removal until after the hearing on such objections.

Upon the timely filing by the owner of objections to the disconnection and removal of the service lines, the legislative authority of such city or town, or a committee thereof, shall conduct a hearing to determine whether the removal of all or any part of the service lines is in the public benefit. The hearing shall be held at such time as the legislative authority of such city or town may establish for hearings on the objections and shall be held in accordance with the regularly established procedure set by the legislative authority of the city or town. If the hearing is before a committee, the committee shall following the hearing report its recommendation to the legislative authority of the city or town for final action. The determination reached by the legislative authority shall be final in the absence of an abuse of discretion.

PART III

Sec. 3001. RCW 35A.02.055 and 1979 ex.s. c 18 s 8 are each amended to read as follows:

Where a city elects to become a noncharter code city under one of the optional plans of government provided in Title 35A RCW for code cities which involves the same general plan of government as that under which the city operated prior to the choice and where with the change in classification the number of ~~((councilmanic))~~ council positions in a city remains the same or increases from five to seven, the procedures for the first election of officers which appear in RCW 35A.02.050 shall not be followed. When membership in a city council remains the same or is increased upon becoming a noncharter code city, the terms of incumbent councilmembers shall not be affected. If the number of councilmembers is increased from five to seven, the city council shall, by majority vote, pursuant to RCW 35A.12.050 and 35A.13.020, appoint two persons to serve in these offices until the next municipal general election, at which election one person shall be elected for a two-year term and one person shall be elected for a four-year term.

A first election of all officers upon a change in classification to a noncharter code city is also not required where the change in classification otherwise retains

the same general or specific plan of government and where the change in classification results in a decrease in the number of ((~~councilmanic~~)) council positions in a city.

If the membership in a city council is decreased from seven to five members upon adopting the classification of noncharter code city, this decrease in the number of councilmembers shall be determined in the following manner: The councilmembers shall determine by lot which two ((~~councilmanic~~)) council positions shall be eliminated upon the expiration of their terms of office. The terms of the remaining councilmembers shall not be affected.

Sec. 3002. RCW 35A.08.020 and 1979 c 151 s 32 are each amended to read as follows:

For the purposes of this chapter, the population of a city shall be the number of residents shown by the figures released for the most recent official state or federal census, by a population determination made under the direction of the office of financial management, or by a city census conducted in the following manner:

(1) The legislative authority of any such city may provide by ordinance for the appointment by the mayor thereof, of such number of persons as may be designated in the ordinance to make an enumeration of all persons residing within the corporate limits of the city. The enumerators so appointed, before entering upon their duties, shall take an oath for the faithful performance thereof and within five days after their appointment proceed, within their respective districts, to make an enumeration of all persons residing therein, with their names and places of residence.

(2) Immediately upon the completion of the enumeration, the enumerators shall make return thereof upon oath to the legislative authority of the city, who at its next meeting or as soon thereafter as practicable, shall canvass and certify the returns.

(3) If it appears therefrom that the whole number of persons residing within the corporate limits of the city is ten thousand or more, the mayor and clerk under the corporate seal of the city shall certify the number so ascertained to the secretary of state, who shall file it in his or her office. This certificate when so filed shall be conclusive evidence of the population of the city.

Sec. 3003. RCW 35A.08.040 and 1990 c 259 s 7 are each amended to read as follows:

The election on the question whether to adopt a charter and become a charter code city and the nomination and election of the members of the charter commission shall be conducted, and the result declared, according to the laws regulating and controlling elections in the city. Candidates for election to the charter commission must be nominated by petition signed by ten registered voters of the city and residents therein for a period of at least two years preceding the election. A nominating petition shall be filed within the time allowed for filing declarations of candidacy and shall be verified by an affidavit of one or more of the signers to the effect that the affiant believes that the candidate and all of the signers are registered voters of the city and he or she signed the petition in good faith for the purpose of endorsing the person named therein for election to the charter commission. A written acceptance of the nomination by the nominee shall be affixed to the petition when filed with the

county auditor. Nominating petitions need not be in the form prescribed in RCW 35A.01.040. Any nominee may withdraw his or her nomination by a written statement of withdrawal filed at any time not later than five days before the last day allowed for filing nominations. The positions on the charter commission shall be designated by consecutive numbers one through fifteen, and the positions so designated shall be considered as separate offices for all election purposes. A nomination shall be made for a specific numbered position.

Sec. 3004. RCW 35A.08.050 and 1967 ex.s. c 119 s 35A.08.050 are each amended to read as follows:

Within ten days after its election the charter commission shall hold its first meeting, elect one of the members as ~~((chairman))~~ chair, and adopt such rules for the conduct of its business as it may deem advisable. In the event of a vacancy in the charter commission, the remaining members shall fill it by appointment thereto of some properly qualified person. A majority shall constitute a quorum for transaction of business but final charter recommendations shall require a majority vote of the whole membership of the commission. The commission shall study the plan of government of the city, compare it with other available plans of government, and determine whether, in its judgment, the government of the city could be strengthened, made more responsive or accountable to the people, or whether its operation could be made more economical or more efficient by amendment of the existing plan or adoption of another plan of government. The commission shall consider the plans of government described in this title but shall not be limited to such plans in its recommendations for the government of the city and may frame a charter for any plan it deems suitable for the good government of the city; except that the provisions of such charter shall not be valid if inconsistent with the Constitution of this state, the provisions of this title, or the general laws of the state, insofar as they are applicable to cities governed under this title.

Sec. 3005. RCW 35A.12.010 and 1997 c 361 s 6 are each amended to read as follows:

The government of any noncharter code city or charter code city electing to adopt the mayor-council plan of government authorized by this chapter shall be vested in an elected mayor and an elected council. The council of a noncharter code city having less than twenty-five hundred inhabitants shall consist of five members; when there are twenty-five hundred or more inhabitants, the council shall consist of seven members. A city with a population of less than twenty-five hundred at the time of reclassification as an optional municipal code city may choose to maintain a seven-member council. The decision concerning the number of councilmembers shall be made by the council and be incorporated as a section of the ordinance adopting for the city the classification of noncharter code city. If the population of a city after having become a code city decreases from twenty-five hundred or more to less than twenty-five hundred, it shall continue to have a seven member council. If, after a city has become a mayor-council code city, its population increases to twenty-five hundred or more inhabitants, the number of ~~((councilman))~~ council offices in such city may increase from five to seven members upon the affirmative vote of a majority of the existing council to increase the number of ~~((councilman))~~ council offices in the city. When the population of a mayor-council code city having five

((councilman)) council offices increases to five thousand or more inhabitants, the number of ((councilman)) council offices in the city shall increase from five to seven members. In the event of an increase in the number of ((councilman)) council offices, the city council shall, by majority vote, pursuant to RCW 35A.12.050, appoint two persons to serve in these offices until the next municipal general election, at which election one person shall be elected for a two-year term and one person shall be elected for a four-year term. The number of inhabitants shall be determined by the most recent official state or federal census or determination by the state office of financial management. A charter adopted under the provisions of this title, incorporating the mayor-council plan of government set forth in this chapter, may provide for an uneven number of councilmembers not exceeding eleven.

A noncharter code city of less than five thousand inhabitants which has elected the mayor-council plan of government and which has seven ((councilman)) council offices may establish a five-member council in accordance with the following procedure. At least six months prior to a municipal general election, the city council shall adopt an ordinance providing for reduction in the number of ((councilman)) council offices to five. The ordinance shall specify which two ((councilman)) council offices, the terms of which expire at the next general election, are to be terminated. The ordinance shall provide for the renumbering of council positions and shall also provide for a two-year extension of the term of office of a retained ((councilman)) council office, if necessary, in order to comply with RCW 35A.12.040.

However, a noncharter code city that has retained its old mayor-council plan of government, as provided in RCW 35A.02.130, is subject to the laws applicable to that old plan of government.

Sec. 3006. RCW 35A.12.030 and 1979 ex.s. c 18 s 20 are each amended to read as follows:

No person shall be eligible to hold elective office under the mayor-council plan unless the person is a registered voter of the city at the time of filing his or her declaration of candidacy and has been a resident of the city for a period of at least one year next preceding his or her election. Residence and voting within the limits of any territory which has been included in, annexed to, or consolidated with such city is construed to have been residence within the city. A mayor or ((councilman)) councilmember shall hold within the city government no other public office or employment except as permitted under the provisions of chapter 42.23 RCW.

Sec. 3007. RCW 35A.12.065 and 1967 ex.s. c 119 s 35A.12.065 are each amended to read as follows:

Biennially at the first meeting of a new council, or periodically, the members thereof, by majority vote, may designate one of their number as mayor pro tempore or deputy mayor for such period as the council may specify, to serve in the absence or temporary disability of the mayor; or, in lieu thereof, the council may, as the need may arise, appoint any qualified person to serve as mayor pro tempore in the absence or temporary disability of the mayor. In the event of the extended excused absence or disability of a ((councilman)) councilmember, the remaining members by majority vote may appoint a

~~((councilman))~~ councilmember pro tempore to serve during the absence or disability.

Sec. 3008. RCW 35A.12.070 and 1971 ex.s. c 251 s 5 are each amended to read as follows:

The salaries of the mayor and the ~~((councilmen))~~ councilmembers shall be fixed by ordinance and may be revised from time to time by ordinance, but any increase in the compensation attaching to an office shall not be applicable to the term then being served by the incumbent if such incumbent is a member of the city legislative body fixing his or her own compensation or as mayor in a mayor-council code city casts a tie-breaking vote relating to such ordinance: PROVIDED, That if the mayor of such a city does not cast such a vote, his or her salary may be increased during his or her term of office.

Until the first elective officers under this mayor-council plan of government may lawfully be paid the compensation provided by such salary ordinance, such officers shall be entitled to be compensated in the same manner and in the same amount as the compensation paid to officers of such city performing comparable services immediately prior to adoption of this mayor-council plan.

Until a salary ordinance can be passed and become effective as to elective officers of a newly incorporated code city, such first officers shall be entitled to compensation as follows: In cities having less than five thousand inhabitants, the mayor shall be entitled to a salary of one hundred and fifty dollars per calendar month and a ~~((councilman))~~ councilmember shall be entitled to twenty dollars per meeting for not more than two meetings per month; in cities having more than five thousand but less than fifteen thousand inhabitants, the mayor shall be entitled to a salary of three hundred and fifty dollars per calendar month and a ~~((councilman))~~ councilmember shall be entitled to one hundred and fifty dollars per calendar month; in cities having more than fifteen thousand inhabitants, the mayor shall be entitled to a salary of twelve hundred and fifty dollars per calendar month and a ~~((councilman))~~ councilmember shall be entitled to four hundred dollars per calendar month: PROVIDED, That such interim compensation shall remain in effect only until a salary ordinance is passed and becomes effective as to such officers, and the amounts herein provided shall not be construed as fixing the usual salary of such officers. The mayor and ~~((councilmen))~~ councilmembers shall receive reimbursement for their actual and necessary expenses incurred in the performance of the duties of their office, or the council by ordinance may provide for a per diem allowance. Procedure for approval of claims for expenses shall be as provided by ordinance.

Sec. 3009. RCW 35A.12.080 and 1986 c 167 s 20 are each amended to read as follows:

Any officer before entering upon the performance of his or her duties may be required to take an oath or affirmation as prescribed by charter or by ordinance for the faithful performance of his or her duties. The oath or affirmation shall be filed with the county auditor. The clerk, treasurer, if any, chief of police, and such other officers or employees as may be designated by ordinance or by charter shall be required to furnish annually an official bond conditioned on the honest and faithful performance of their official duties. The terms and penalty of official bonds and the surety therefor shall be prescribed by ordinance or charter and the bond shall be approved by the chief administrative

officer of the city. The premiums on such bonds shall be paid by the city. When the furnishing of an official bond is required of an officer or employee, compliance with such provisions shall be an essential part of qualification for office.

Sec. 3010. RCW 35A.12.100 and 1979 ex.s. c 18 s 22 are each amended to read as follows:

The mayor shall be the chief executive and administrative officer of the city, in charge of all departments and employees, with authority to designate assistants and department heads. The mayor may appoint and remove a chief administrative officer or assistant administrative officer, if so provided by ordinance or charter. He or she shall see that all laws and ordinances are faithfully enforced and that law and order is maintained in the city, and shall have general supervision of the administration of city government and all city interests. All official bonds and bonds of contractors with the city shall be submitted to the mayor or such person as he or she may designate for approval or disapproval. He or she shall see that all contracts and agreements made with the city or for its use and benefit are faithfully kept and performed, and to this end he or she may cause any legal proceedings to be instituted and prosecuted in the name of the city, subject to approval by majority vote of all members of the council. The mayor shall preside over all meetings of the city council, when present, but shall have a vote only in the case of a tie in the votes of the ~~((councilmen))~~ councilmembers with respect to matters other than the passage of any ordinance, grant, or revocation of franchise or license, or any resolution for the payment of money. He or she shall report to the council concerning the affairs of the city and its financial and other needs, and shall make recommendations for council consideration and action. He or she shall prepare and submit to the council a proposed budget, as required by chapter 35A.33 RCW. The mayor shall have the power to veto ordinances passed by the council and submitted to him or her as provided in RCW 35A.12.130 but such veto may be overridden by the vote of a majority of all councilmembers plus one more vote. The mayor shall be the official and ceremonial head of the city and shall represent the city on ceremonial occasions, except that when illness or other duties prevent the mayor's attendance at an official function and no mayor pro tempore has been appointed by the council, a member of the council or some other suitable person may be designated by the mayor to represent the city on such occasion.

Sec. 3011. RCW 35A.12.110 and 1993 c 199 s 3 are each amended to read as follows:

The city council and mayor shall meet regularly, at least once a month, at a place and at such times as may be designated by the city council. All final actions on resolutions and ordinances must take place within the corporate limits of the city. Special meetings may be called by the mayor or any three members of the council by written notice delivered to each member of the council at least twenty-four hours before the time specified for the proposed meeting. All actions that have heretofore been taken at special council meetings held pursuant to this section, but for which the number of hours of notice given has been at variance with requirements of RCW 42.30.080, are hereby validated. All council meetings shall be open to the public except as permitted by chapter

42.30 RCW. No ordinance or resolution shall be passed, or contract let or entered into, or bill for the payment of money allowed at any meeting not open to the public, nor at any public meeting the date of which is not fixed by ordinance, resolution, or rule, unless public notice of such meeting has been given by such notice to each local newspaper of general circulation and to each local radio or television station, as provided in RCW 42.30.080 as now or hereafter amended. Meetings of the council shall be presided over by the mayor, if present, or otherwise by the mayor pro tempore, or deputy mayor if one has been appointed, or by a member of the council selected by a majority of the councilmembers at such meeting. Appointment of a councilmember to preside over the meeting shall not in any way abridge his or her right to vote on matters coming before the council at such meeting. In the absence of the clerk, a deputy clerk or other qualified person appointed by the clerk, the mayor, or the council, may perform the duties of clerk at such meeting. A journal of all proceedings shall be kept, which shall be a public record.

Sec. 3012. RCW 35A.12.120 and 1967 ex.s. c 119 s 35A.12.120 are each amended to read as follows:

At all meetings of the council a majority of the ~~((councilmen))~~ councilmembers shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time and may compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance. The council shall determine its own rules and order of business, and may establish rules for the conduct of council meetings and the maintenance of order. At the desire of any member, any question shall be voted upon by roll call and the ayes and nays shall be recorded in the journal.

The passage of any ordinance, grant or revocation of franchise or license, and any resolution for the payment of money shall require the affirmative vote of at least a majority of the whole membership of the council.

Sec. 3013. RCW 35A.12.130 and 1967 ex.s. c 119 s 35A.12.130 are each amended to read as follows:

The enacting clause of all ordinances shall be as follows: "The city council of the city of do ordain as follows:" No ordinance shall contain more than one subject and that must be clearly expressed in its title.

No ordinance or any section or subsection thereof shall be revised or amended unless the new ordinance sets forth the revised ordinance or the amended section or subsection at full length.

No ordinance shall take effect until five days after the date of its publication unless otherwise provided by statute or charter, except that an ordinance passed by a majority plus one of the whole membership of the council, designated therein as a public emergency ordinance necessary for the protection of public health, public safety, public property or the public peace, may be made effective upon adoption, but such ordinance may not levy taxes, grant, renew, or extend a franchise, or authorize the borrowing of money.

Every ordinance which passes the council in order to become valid must be presented to the mayor; if he or she approves it, he or she shall sign it, but if not, he or she shall return it with his or her written objections to the council and the council shall cause his or her objections to be entered at large upon the journal and proceed to a reconsideration thereof. If upon reconsideration a majority plus

one of the whole membership, voting upon a call of ayes and nays, favor its passage, the ordinance shall become valid notwithstanding the mayor's veto. If the mayor fails for ten days to either approve or veto an ordinance, it shall become valid without his or her approval. Ordinances shall be signed by the mayor and attested by the clerk.

Sec. 3014. RCW 35A.12.150 and 1967 ex.s. c 119 s 35A.12.150 are each amended to read as follows:

The city clerk shall authenticate by his or her signature and record in full in a properly indexed book kept for the purpose all ordinances and resolutions adopted by the council. Such book, or copies of ordinances and resolutions, shall be available for inspection by the public at reasonable times and under reasonable conditions.

Sec. 3015. RCW 35A.12.170 and 1967 ex.s. c 119 s 35A.12.170 are each amended to read as follows:

All demands against a code city shall be presented and audited in accordance with such regulations as may be prescribed by charter or ordinance; and upon the allowance of a demand, the clerk shall draw a warrant upon the treasurer for it, which warrant shall be countersigned by the mayor, or such person as he or she may designate, and shall specify the fund from which it is to be paid; or, payment may be made by a bank check when authorized by the legislative body of the code city under authority granted by RCW 35A.40.020, which check shall bear the signatures of the officers designated by the legislative body as required signatories of checks of such city, and shall specify the fund from which it is to be paid.

Sec. 3016. RCW 35A.13.010 and 1994 c 223 s 35 are each amended to read as follows:

The councilmembers shall be the only elective officers of a code city electing to adopt the council-manager plan of government authorized by this chapter, except where statutes provide for an elective municipal judge. The council shall appoint an officer whose title shall be "city manager" who shall be the chief executive officer and head of the administrative branch of the city government. The city manager shall be responsible to the council for the proper administration of all affairs of the code city. The council of a noncharter code city having less than twenty-five hundred inhabitants shall consist of five members; when there are twenty-five hundred or more inhabitants the council shall consist of seven members: PROVIDED, That if the population of a city after having become a code city decreases from twenty-five hundred or more to less than twenty-five hundred, it shall continue to have a seven member council. If, after a city has become a council-manager code city its population increases to twenty-five hundred or more inhabitants, the number of ((councilmanic)) council offices in such city may increase from five to seven members upon the affirmative vote of a majority of the existing council to increase the number of ((councilmanic)) council offices in the city. When the population of a council-manager code city having five ((councilmanic)) council offices increases to five thousand or more inhabitants, the number of ((councilmanic)) council offices in the city shall increase from five to seven members. In the event of an increase in the number of ((councilmanic)) council offices, the city council shall, by majority vote, pursuant to RCW 35A.13.020, appoint two persons to serve in

these offices until the next municipal general election, at which election one person shall be elected for a two-year term and one person shall be elected for a four-year term. The number of inhabitants shall be determined by the most recent official state or federal census or determination by the state office of financial management. A charter adopted under the provisions of this title, incorporating the council-manager plan of government set forth in this chapter may provide for an uneven number of councilmembers not exceeding eleven.

A noncharter code city of less than five thousand inhabitants which has elected the council-manager plan of government and which has seven ~~((councilmanic))~~ council offices may establish a five-member council in accordance with the following procedure. At least six months prior to a municipal general election, the city council shall adopt an ordinance providing for reduction in the number of ~~((councilmanic))~~ council offices to five. The ordinance shall specify which two ~~((councilmanic))~~ council offices, the terms of which expire at the next general election, are to be terminated. The ordinance shall provide for the renumbering of council positions and shall also provide for a two-year extension of the term of office of a retained ~~((councilmanic))~~ council office, if necessary, in order to comply with RCW 35A.12.040.

However, a noncharter code city that has retained its old council-manager plan of government, as provided in RCW 35A.02.130, is subject to the laws applicable to that old plan of government.

Sec. 3017. RCW 35A.13.020 and 1994 c 223 s 36 are each amended to read as follows:

In council-manager code cities, eligibility for election to the council, the manner of electing ~~((councilmen))~~ councilmembers, the numbering of council positions, the terms of ~~((councilmen))~~ councilmembers, the occurrence and the filling of vacancies, the grounds for forfeiture of office, and appointment of a mayor pro tempore or deputy mayor or ~~((councilman))~~ councilmember pro tempore shall be governed by the corresponding provisions of RCW 35A.12.030, 35A.12.040, 35A.12.050, 35A.12.060, and 35A.12.065 relating to the council of a code city organized under the mayor-council plan, except that in council-manager cities where all council positions are at-large positions, the city council may, pursuant to RCW 35A.13.033, provide that the person elected to council position one shall be the council ~~((chairman))~~ chair and shall carry out the duties prescribed by RCW 35A.13.030.

Sec. 3018. RCW 35A.13.030 and 1975 1st ex.s. c 155 s 2 are each amended to read as follows:

Biennially at the first meeting of the new council the members thereof shall choose a ~~((chairman))~~ chair from among their number unless the ~~((chairman))~~ chair is elected pursuant to RCW 35A.13.033. The ~~((chairman))~~ chair of the council shall have the title of mayor and shall preside at meetings of the council. In addition to the powers conferred upon him or her as mayor, he or she shall continue to have all the rights, privileges, and immunities of a member of the council. The mayor shall be recognized as the head of the city for ceremonial purposes and by the governor for purposes of military law. He or she shall have no regular administrative duties, but in time of public danger or emergency, if so authorized by ordinance, shall take command of the police, maintain law, and enforce order.

Sec. 3019. RCW 35A.13.033 and 1975 1st ex.s. c 155 s 3 are each amended to read as follows:

The city council of a council-manager city may by resolution place before the voters of the city, a proposition to designate the person elected to council position one as the ((chairman)) chair of the council with the powers and duties set forth in RCW 35A.13.030. If a majority of those voting on the proposition cast a positive vote, then at all subsequent general elections at which position one is on the ballot, the person who is elected to position one shall become the ((chairman)) chair upon taking office.

Sec. 3020. RCW 35A.13.035 and 1969 ex.s. c 81 s 1 are each amended to read as follows:

Biennially at the first meeting of a new council, or periodically, the members thereof, by majority vote, may designate one of their number as mayor pro tempore or deputy mayor for such period as the council may specify, to serve in the absence or temporary disability of the mayor; or, in lieu thereof, the council may, as the need may arise, appoint any qualified person to serve as mayor pro tempore in the absence or temporary disability of the mayor. In the event of the extended excused absence or disability of a ((councilman)) councilmember, the remaining members by majority vote may appoint a ((councilman)) councilmember pro tempore to serve during the absence or disability.

Sec. 3021. RCW 35A.13.040 and 1979 ex.s. c 18 s 25 are each amended to read as follows:

The salaries of the ((councilmen)) councilmembers, including the mayor, shall be fixed by ordinance and may be revised from time to time by ordinance, but any increase or reduction in the compensation attaching to an office shall not become effective until the expiration of the term then being served by the incumbent: PROVIDED, That compensation of ((councilmen)) councilmembers may not be increased or diminished after their election nor may the compensation of the mayor be increased or diminished after the mayor has been chosen by the council.

Until ((councilmen)) councilmembers of a newly organized council-manager code city may lawfully be paid as provided by salary ordinance, such ((councilmen)) councilmembers shall be entitled to compensation in the same manner and in the same amount as ((councilmen)) councilmembers of such city prior to the adoption of this council-manager plan.

Until a salary ordinance can be passed and become effective as to elective officers of a newly incorporated code city, the first ((councilmen)) councilmembers shall be entitled to compensation as follows: In cities having less than five thousand inhabitants—twenty dollars per meeting for not more than two meetings per month; in cities having more than five thousand but less than fifteen thousand inhabitants—a salary of one hundred and fifty dollars per calendar month; in cities having more than fifteen thousand inhabitants—a salary of four hundred dollars per calendar month. A ((councilman)) councilmember who is occupying the position of mayor, in addition to his or her salary as a ((councilman)) councilmember, shall be entitled, while serving as mayor, to an additional amount per calendar month, or portion thereof, equal to twenty-five percent of the ((councilman)) councilmember salary:

PROVIDED, That such interim compensation shall remain in effect only until a salary ordinance is passed and becomes effective as to such officers, and the compensation provided herein shall not be construed as fixing the usual compensation of such officers. ((Councilmen)) Councilmembers shall receive reimbursement for their actual and necessary expenses incurred in the performance of the duties of their office, or the council by ordinance may provide for a per diem allowance. Procedure for approval of claims for expenses shall be as provided by ordinance.

Sec. 3022. RCW 35A.13.050 and 1967 ex.s. c 119 s 35A.13.050 are each amended to read as follows:

The city manager need not be a resident at the time of his or her appointment, but shall reside in the code city after his or her appointment unless such residence is waived by the council. He or she shall be chosen by the council solely on the basis of his or her executive and administrative qualifications with special reference to his or her actual experience in, or his or her knowledge of, accepted practice in respect to the duties of his or her office. No person elected to membership on the council shall be eligible for appointment as city manager until one year has elapsed following the expiration of the term for which he or she was elected.

Sec. 3023. RCW 35A.13.060 and 1967 ex.s. c 119 s 35A.13.060 are each amended to read as follows:

Whether the city manager shall devote his or her full time to the affairs of one code city shall be determined by the council. A city manager may serve two or more cities in that capacity at the same time.

Sec. 3024. RCW 35A.13.070 and 1967 ex.s. c 119 s 35A.13.070 are each amended to read as follows:

Before entering upon the duties of his or her office the city manager shall take an oath or affirmation for the faithful performance of his or her duties and shall execute and file with the clerk of the council a bond in favor of the code city in such sum as may be fixed by the council. The premium on such bond shall be paid by the city.

Sec. 3025. RCW 35A.13.080 and 1987 c 3 s 17 are each amended to read as follows:

The powers and duties of the city manager shall be:

(1) To have general supervision over the administrative affairs of the code city;

(2) To appoint and remove at any time all department heads, officers, and employees of the code city, except members of the council, and subject to the provisions of any applicable law, rule, or regulation relating to civil service: PROVIDED, That the council may provide for the appointment by the mayor, subject to confirmation by the council, of a city planning commission, and other advisory citizens' committees, commissions, and boards advisory to the city council: PROVIDED FURTHER, That if the municipal judge of the code city is appointed, such appointment shall be made by the city manager subject to confirmation by the council, for a four year term. The council may cause an audit to be made of any department or office of the code city government and may select the persons to make it, without the advice or consent of the city manager;

(3) To attend all meetings of the council at which his or her attendance may be required by that body;

(4) To see that all laws and ordinances are faithfully executed, subject to the authority which the council may grant the mayor to maintain law and order in times of emergency;

(5) To recommend for adoption by the council such measures as he or she may deem necessary or expedient;

(6) To prepare and submit to the council such reports as may be required by that body or as he or she may deem it advisable to submit;

(7) To keep the council fully advised of the financial condition of the code city and its future needs;

(8) To prepare and submit to the council a proposed budget for the fiscal year, as required by chapter 35A.33 RCW, and to be responsible for its administration upon adoption;

(9) To perform such other duties as the council may determine by ordinance or resolution.

Sec. 3026. RCW 35A.13.100 and 1967 ex.s. c 119 s 35A.13.100 are each amended to read as follows:

The city manager may authorize the head of a department or office responsible to him or her to appoint and remove subordinates in such department or office. Any officer or employee who may be appointed by the city manager, or by the head of a department or office, except one who holds his or her position subject to civil service, may be removed by the manager or other such appointing officer at any time subject to any applicable law, rule, or regulation relating to civil service. Subject to the provisions of RCW 35A.13.080 and any applicable civil service provisions, the decision of the manager or other appointing officer, shall be final and there shall be no appeal therefrom to any other office, body, or court whatsoever.

Sec. 3027. RCW 35A.13.120 and 1967 ex.s. c 119 s 35A.13.120 are each amended to read as follows:

Neither the council, nor any of its committees or members, shall direct the appointment of any person to, or his or her removal from, office by the city manager or any of his or her subordinates. Except for the purpose of inquiry, the council and its members shall deal with the administrative service solely through the manager and neither the council nor any committee or member thereof shall give orders to any subordinate of the city manager, either publicly or privately. The provisions of this section do not prohibit the council, while in open session, from fully and freely discussing with the city manager anything pertaining to appointments and removals of city officers and employees and city affairs.

Sec. 3028. RCW 35A.13.130 and 1967 ex.s. c 119 s 35A.13.130 are each amended to read as follows:

The city manager shall be appointed for an indefinite term and may be removed by a majority vote of the council. At least thirty days before the effective date of his or her removal, the city manager must be furnished with a formal statement in the form of a resolution passed by a majority vote of the city council stating the council's intention to remove him or her and the reasons therefor. Upon passage of the resolution stating the council's intention to remove

the manager, the council by a similar vote may suspend him or her from duty, but his or her pay shall continue until his or her removal becomes effective.

Sec. 3029. RCW 35A.13.140 and 1967 ex.s. c 119 s 35A.13.140 are each amended to read as follows:

The city manager may, within thirty days from the date of service upon him or her of a copy thereof, reply in writing to the resolution stating the council's intention to remove him or her. In the event no reply is timely filed, the resolution shall upon the thirty-first day from the date of such service, constitute the final resolution removing the manager and his or her services shall terminate upon that day. If a reply shall be timely filed with the city clerk, the council shall fix a time for a public hearing upon the question of the manager's removal and a final resolution removing the manager shall not be adopted until a public hearing has been had. The action of the council in removing the manager shall be final.

Sec. 3030. RCW 35A.14.190 and 1967 ex.s. c 119 s 35A.14.190 are each amended to read as follows:

The members of each annexation review board shall elect from among the members a ((~~chairman~~)) chair and a vice ((~~chairman~~)) chair, and may employ a nonmember as chief clerk, who shall be the secretary of the board. The board shall determine its own rules and order of business, shall provide by resolution for the time and manner of holding regular or special meetings, and shall keep a journal of its proceedings which shall be a public record. A majority of all the members shall constitute a quorum for the transaction of business.

The chief clerk of the board, the ((~~chairman~~)) chair, or the vice ((~~chairman~~)) chair shall have the power to administer oaths and affirmations, certify to all official acts, issue subpoenas to any public officer or employee ordering him or her to testify before the board and produce public records, papers, books or documents. The chief clerk, the ((~~chairman~~)) chair or the vice ((~~chairman~~)) chair may invoke the aid of any court of competent jurisdiction to carry out such powers.

The planning departments of the county, other counties, and any city, and any state or regional planning agency shall furnish such information to the board at its request as may be reasonably necessary for the performance of its duties.

At the request of the board, the state attorney general shall provide counsel for the board.

Sec. 3031. RCW 35A.21.030 and 1967 ex.s. c 119 s 35A.21.030 are each amended to read as follows:

Except as otherwise provided in this title, every officer of a code city shall perform, in the manner provided, all duties of his or her office which are imposed by state law on officers of every other class of city who occupy a like position and perform like functions.

Sec. 3032. RCW 35A.33.010 and 1969 ex.s. c 81 s 2 are each amended to read as follows:

Unless the context clearly indicates otherwise, the following words as used in this chapter shall have the meaning herein prescribed:

(1) "Clerk" as used in this chapter includes the officer performing the functions of a finance or budget director, comptroller, auditor, or by whatever title he or she may be known in any code city.

(2) "Department" as used in this chapter includes each office, division, service, system or institution of the city for which no other statutory or charter provision is made for budgeting and accounting procedures or controls.

(3) "Council" as used in this chapter includes the commissioners in cities having a commission form of government and any other group of city officials serving as the legislative body of a code city.

(4) "Chief administrative officer" as used in this chapter includes the mayor of cities having a mayor-council form of government, the commissioners in cities having a commission form of government, the city manager, or any other city official designated by the charter or ordinances of such city under the plan of government governing the same, or the budget or finance officer designated by the mayor, manager or commissioners, to perform the functions, or portions thereof, contemplated by this chapter.

(5) "Fiscal year" as used in this chapter means that fiscal period set by the code city pursuant to authority given under RCW 1.16.030.

(6) "Fund", as used in this chapter and "funds" where clearly used to indicate the plural of "fund", shall mean the budgeting or accounting entity authorized to provide a sum of money for specified activities or purposes.

(7) "Funds" as used in this chapter where not used to indicate the plural of "fund" shall mean money in hand or available for expenditure or payment of a debt or obligation.

(8) Except as otherwise defined herein, municipal accounting terms used in this chapter have the meaning prescribed in "Governmental Accounting, Auditing and Financial Reporting" prepared by the National Committee on Governmental Accounting, 1968.

Sec. 3033. RCW 35A.33.052 and 1967 ex.s. c 119 s 35A.33.052 are each amended to read as follows:

The chief administrative officer shall prepare the preliminary budget in detail, making any revisions or addition to the reports of the department heads deemed advisable by such chief administrative officer and at least sixty days before the beginning of the city's next fiscal year he or she shall file it with the city clerk as the recommendation of the chief administrative officer for the final budget. The clerk shall provide a sufficient number of copies of such preliminary budget and budget message to meet the reasonable demands of taxpayers therefor and have them available for distribution not later than six weeks before the beginning of the city's next fiscal year.

Sec. 3034. RCW 35A.33.135 and 1967 ex.s. c 119 s 35A.33.135 are each amended to read as follows:

At a time fixed by the city's ordinance or charter, not later than the first Monday in October of each year, the chief administrative officer shall provide the city's legislative body with current information on estimates of revenues from all sources as adopted in the budget for the current year, together with estimates submitted by the clerk under RCW 35A.33.050. The city's legislative body and the city's administrative officer or his or her designated representative shall consider the city's total anticipated financial requirements for the ensuing fiscal year, and the legislative body shall determine and fix by ordinance the amount to be raised by ad valorem taxes. Upon adoption of the ordinance fixing

the amount of ad valorem taxes to be levied, the clerk shall certify the same to the board of county commissioners as required by RCW 84.52.020.

Sec. 3035. RCW 35A.33.160 and 1967 ex.s. c 119 s 35A.33.160 are each amended to read as follows:

Upon the conviction of any city official, department head or other city employee of knowingly failing, or refusing, without just cause, to perform any duty imposed upon such officer or employee by this chapter, or city ordinance or charter, in connection with the giving of notice, the preparing and filing of estimates of revenues or expenditures or other information required for preparing a budget report in the time and manner required, or of knowingly making expenditures in excess of budget appropriations, he or she shall be guilty of a misdemeanor and shall be fined not more than five hundred dollars for each separate violation.

Sec. 3036. RCW 35A.36.010 and 1967 ex.s. c 119 s 35A.36.010 are each amended to read as follows:

The mayor, finance officer, city clerk, or other officer of a code city who is authorized or required by law, charter, or ordinance to execute bonds of the city or any subdivision or district thereof may designate one or more bonded persons to affix such officer's signature to any bond or bonds requiring his or her signature. If the signature of one of these officers is affixed to a bond during his or her continuance in office by a proxy designated by him or her whose authority has not been revoked, the bond shall be as binding upon the city and all concerned as though the officer had signed the bond in person. This chapter shall apply to all bonds, whether they constitute obligations of the city as a whole or of any local improvement or other district or subdivision thereof, whether they call for payment from the general funds of the city or from a local, special or other fund, and whether negotiable or otherwise.

Sec. 3037. RCW 35A.36.050 and 1967 ex.s. c 119 s 35A.36.050 are each amended to read as follows:

A code city officer authorizing the affixing of his or her signature to a bond by a proxy shall be subject to the same liability personally and on his or her bond for any signature so affixed and to the same extent as if he or she had affixed his or her signature in person.

Sec. 3038. RCW 35A.36.060 and 1967 ex.s. c 119 s 35A.36.060 are each amended to read as follows:

In order to designate a proxy to affix his or her signature to bonds, a code city officer shall address a written notice to the legislative body of the city giving the name of the person whom he or she has selected therefor and stating generally or specifically what bonds are to be so signed.

Attached to or included in the notice shall be a written signature of the officer making the designation executed by the proposed proxy followed by the word "by" and his or her own signature; or, if the notice so states, the specimen signatures may consist of a facsimile reproduction of the officer's signature impressed by some mechanical process followed by the word "by" and the proxy's own signature.

If the authority is intended to include the signature upon bonds bearing an earlier date than the effective date of the notice, the prior dated bonds must be specifically described by reasonable reference thereto.

The notice designating a proxy shall be filed with the city finance officer or city clerk, together with the specimen signatures attached thereto and a record of the filing shall be made in the journal of the legislative body. This record shall note the date and hour of filing and may be made by the official who keeps the journal at any time after the filing of the notice, even during a period of recess or adjournment of the legislative body. The notice shall be effective from the time of its recording.

Sec. 3039. RCW 35A.42.010 and 1987 c 331 s 78 are each amended to read as follows:

In addition to authority granted and duties imposed upon code city treasurers by this title, code city treasurers, or the officers designated by charter or ordinance to perform the duties of a treasurer, shall have the duties and the authority to perform the following: (1) As provided in RCW 8.12.500 relating to bonds and compensation payments in eminent domain proceedings; (2) as provided in RCW 68.52.050 relating to cemetery improvement funds; (3) as provided in RCW 41.28.080 relating to custody of employees' retirement funds; (4) as provided in RCW 47.08.100 relating to the use of city street funds; (5) as provided in RCW 46.68.080 relating to motor vehicle funds; (6) as provided in RCW 41.16.020 and chapter 41.20 RCW relating to police and ~~((firemen's))~~ firefighters' relief and pension boards; (7) as provided in chapter 42.20 RCW relating to misappropriation of funds; and (8) as provided in chapter 39.60 RCW relating to investment of municipal funds. The treasurer shall be subject to the penalties imposed for the violation of any of such provisions. Where a provision of this title, or the general law, names the city treasurer as an officer of a board or other body, or assigns duties to a city treasurer, such position shall be filled, or such duties performed, by the officer of a code city who is performing the duties usually performed by a city treasurer, although he or she may not have that designation.

Sec. 3040. RCW 35A.42.030 and 1967 ex.s. c 119 s 35A.42.030 are each amended to read as follows:

In the event that the mayor, manager or other chief executive officer of any code city is unavailable by reason of enemy attack to exercise the powers and to discharge the duties of his or her office, his or her successor or substitute shall be selected in the manner provided by RCW 42.14.050 subject to rules and regulations providing for the appointment of temporary interim successors adopted under RCW 42.14.070.

Sec. 3041. RCW 35A.63.020 and 1979 ex.s. c 18 s 33 are each amended to read as follows:

By ordinance a code city may create a planning agency and provide for its membership, organization, and expenses. The planning agency shall serve in an advisory capacity to the chief administrative officer or the legislative body, or both, as may be provided by ordinance and shall have such other powers and duties as shall be provided by ordinance. If any person or persons on a planning agency concludes that he or she has a conflict of interest or an appearance of fairness problem with respect to a matter pending before the agency so that he or she cannot discharge his or her duties on such an agency, he or she shall disqualify himself or herself from participating in the deliberations and the decision-making process with respect to the matter. If this occurs, the

appointing authority that appoints such a person may appoint a person to serve as an alternate on the agency to serve in his or her stead in regard to such a matter.

Sec. 3042. RCW 35A.63.110 and 2001 c 200 s 1 are each amended to read as follows:

A code city which pursuant to this chapter creates a planning agency and which has twenty-five hundred or more inhabitants, by ordinance, shall create a board of adjustment and provide for its membership, terms of office, organization, jurisdiction. A code city which pursuant to this chapter creates a planning agency and which has a population of less than twenty-five hundred may, by ordinance, similarly create a board of adjustment. In the event a code city with a population of less than twenty-five hundred creates a planning agency, but does not create a board of adjustment, the code city shall provide that the city legislative authority shall itself hear and decide the items listed in subdivisions (1), (2), and (3) of this section. The action of the board of adjustment shall be final and conclusive, unless, within twenty-one days from the date of the action, the original applicant or an adverse party makes application to the superior court for the county in which that city is located for a writ of certiorari, a writ of prohibition, or a writ of mandamus. No member of the board of adjustment shall be a member of the planning agency or the legislative body. Subject to conditions, safeguards, and procedures provided by ordinance, the board of adjustment may be empowered to hear and decide:

(1) Appeals from orders, recommendations, permits, decisions, or determinations made by a code city official in the administration or enforcement of the provisions of this chapter or any ordinances adopted pursuant to it.

(2) Applications for variances from the terms of the zoning ordinance, the official map ordinance or other land-use regulatory ordinances under procedures and conditions prescribed by city ordinance, which among other things shall provide that no application for a variance shall be granted unless the board of adjustment finds:

(a) the variance shall not constitute a grant of special privilege inconsistent with the limitation upon uses of other properties in the vicinity and zone in which the property on behalf of which the application was filed is located; and

(b) that such variance is necessary, because of special circumstances relating to the size, shape, topography, location, or surroundings of the subject property, to provide it with use rights and privileges permitted to other properties in the vicinity and in the zone in which the subject property is located; and

(c) that the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the vicinity and zone in which the subject property is situated.

(3) Applications for conditional-use permits, unless such applications are to be heard and decided by the planning agency. A conditional use means a use listed among those classified in any given zone but permitted to locate only after review as herein provided in accordance with standards and criteria set forth in the zoning ordinance.

(4) Such other quasi judicial and administrative determinations as may be delegated by ordinance.

In deciding any of the matters referred to in subsections (1), (2), (3), and (4) of this section, the board of adjustment shall issue a written report giving the

reasons for its decision. If a code city provides for a hearing examiner and vests in him or her the authority to hear and decide the items listed in subdivisions (1), (2), and (3) of this section pursuant to RCW 35A.63.170, then the provisions of this section shall not apply to such a city.

PART IV

Sec. 4001. RCW 36.08.020 and 1963 c 4 s 36.08.020 are each amended to read as follows:

The election shall be conducted in all respects as general elections are conducted under the laws governing general elections, in so far as they may be applicable, except that there shall be triplicate returns made, one to each of the respective county auditors and another to the office of the secretary of state. The ballots used at such election shall contain the words "for transferring territory," or "against transferring territory." The votes shall be canvassed, as by law required, within twenty days, and if three-fifths of the votes cast in the territory at such election are "for transferring territory," the territory described in the petition shall become a part of and be added to and made a part of the county contiguous thereto, and within thirty days after the canvass of the returns of the election, the governor shall issue his or her proclamation of the change of county lines.

Sec. 4002. RCW 36.08.070 and 1963 c 4 s 36.08.070 are each amended to read as follows:

If the board of appraisers and adjusters do not agree on any subject, value, or settlement, they shall choose a third (~~(man)~~) person from an adjoining county to settle their differences, and the decision thus arrived at shall be final.

Sec. 4003. RCW 36.08.090 and 1963 c 4 s 36.08.090 are each amended to read as follows:

The county auditor of the county to which any territory may be transferred may take transcripts of all records, books, papers, etc., on file in the office of the county auditor of the county from which the territory has been transferred, which may be necessary to perfect the records of his or her county, and for this purpose he or she shall have access to the records of the county from which such territory is stricken, free of cost.

Sec. 4004. RCW 36.09.020 and 1963 c 4 s 36.09.020 are each amended to read as follows:

The auditor of the old county shall give the auditor of the new county reasonable notice to meet him or her on a certain day at the county seat of the old county, or at some other convenient place, to settle upon and fix the amount which the new county shall pay. In doing so, they shall not charge either county with any share of debts arising from the erection of public buildings, or out of the construction of roads or bridges which shall be and remain, after the division, within the limits of the other county, and of the other debts they shall apportion to each county such a share of the indebtedness as may be just and equitable, taking into consideration the population of such portion of territory so forming a part of the said counties while so united, and also the relative advantages, derived from the old county organization.

Sec. 4005. RCW 36.09.040 and 1963 c 4 s 36.09.040 are each amended to read as follows:

The auditor of the county indebted upon such decision shall give to the auditor of the other county his or her order upon the treasurer for the amount to be paid out of the proper fund, as in other cases, and also make out a transfer of such property as shall be assigned to either county.

Sec. 4006. RCW 36.13.040 and 1963 c 4 s 36.13.040 are each amended to read as follows:

All persons resident in the county, having knowledge of the facts, shall give the information required herein to any duly authorized census enumerator when requested by him or her.

Sec. 4007. RCW 36.16.040 and 1963 c 4 s 36.16.040 are each amended to read as follows:

Every person elected to county office shall before he or she enters upon the duties of his or her office take and subscribe an oath or affirmation that he or she will faithfully and impartially discharge the duties of his or her office to the best of his or her ability. This oath, or affirmation, shall be administered and certified by an officer authorized to administer oaths, without charge therefor.

Sec. 4008. RCW 36.16.060 and 1963 c 4 s 36.16.060 are each amended to read as follows:

Every county officer, before entering upon the duties of his or her office, shall file his or her oath of office in the office of the county auditor and his or her official bond in the office of the county clerk: PROVIDED, That the official bond of the county clerk, after first being recorded by the county auditor, shall be filed in the office of the county treasurer.

Oaths and bonds of deputies shall be filed in the offices in which the oaths and bonds of their principals are required to be filed.

Sec. 4009. RCW 36.16.070 and 1969 ex.s. c 176 s 92 are each amended to read as follows:

In all cases where the duties of any county office are greater than can be performed by the person elected to fill it, the officer may employ deputies and other necessary employees with the consent of the board of county commissioners. The board shall fix their compensation and shall require what deputies shall give bond and the amount of bond required from each. The sureties on deputies' bonds must be approved by the board and the premium therefor is a county expense.

A deputy may perform any act which his or her principal is authorized to perform. The officer appointing a deputy or other employee shall be responsible for the acts of his or her appointees upon his or her official bond and may revoke each appointment at pleasure.

Sec. 4010. RCW 36.16.087 and 1963 c 4 s 36.16.087 are each amended to read as follows:

In all cases in which the county treasurer of any county in the state of Washington shall have executed a tax deed or deeds prior to February 21, 1903, either to his or her county or to any private person or persons or corporation whomsoever, said deed or deeds shall not be deemed invalid by reason of the county treasurer who executed the same not having affixed a seal of office to the same, or having affixed a seal not an official seal; nor shall said deed or deeds be

deemed invalid by reason of the fact that at the date of the execution of said deed or deeds there was in the state of Washington no statute providing for an official seal for the office of county treasurer.

Sec. 4011. RCW 36.16.120 and 1963 c 4 s 36.16.120 are each amended to read as follows:

All county officers shall complete the business of their offices, to the time of the expiration of their respective terms, and in case any officer, at the close of his or her term, leaves to his or her successor official labor to be performed, which it was his or her duty to perform, he or she shall be liable to his or her successor for the full value of such services.

**Sec. 4012. RCW 36.17.045 and 1963 c 164 s 3 are each amended to read as follows:*

Employees of the counties shall have the right to voluntarily authorize the monthly deduction of their pledges to the United Good Neighbor or its successor, monthly payment to a credit unit, and monthly dues to a labor union, from their salaries or wages. When such written authorization is received by the county auditor, he or she shall make such monthly deduction.

**Sec. 4012 was vetoed. See message at end of chapter.*

**Sec. 4013. RCW 36.17.050 and 1999 c 71 s 3 are each amended to read as follows:*

The auditor shall not draw his or her warrant for the salary of any officer until the latter shall have first filed his or her duplicate receipt with the auditor, properly signed by the treasurer, showing he or she has made the last required monthly statement and settlement. If the superior court issues a declaratory judgment under RCW 36.16.125 finding that a county officer has abandoned his or her duties, the county officer may not be paid a salary.

**Sec. 4013 was vetoed. See message at end of chapter.*

Sec. 4014. RCW 36.18.030 and 1963 c 4 s 36.18.030 are each amended to read as follows:

Coroners shall collect for their official services, the following fees:

For each inquest held, besides mileage, twenty dollars.

For issuing a venire, two dollars.

For drawing all necessary writings, two dollars for first page and one dollar for each page thereafter.

For mileage each way, per mile, ten cents.

For performing the duties of a sheriff, he or she shall receive the same fees as a sheriff would receive for the same service.

Sec. 4015. RCW 36.18.050 and 1963 c 4 s 36.18.050 are each amended to read as follows:

Every officer who shall be called on or required to perform service for which no fees or compensation are provided for in this chapter shall be allowed fees similar and equal to those allowed him or her for services of the same kind for which allowance is made herein.

Sec. 4016. RCW 36.18.060 and 1981 c 194 s 2 are each amended to read as follows:

The officers mentioned in this chapter except the county sheriff shall not, in any case, except for the state or county, perform any official services unless the

fees prescribed therefor are paid in advance, and on such payment the officer must perform the services required. The county sheriff may allow payment to be made after official services have been performed as the sheriff deems appropriate. For every failure or refusal to perform official duty when the fees are tendered, the officer is liable on his or her official bond.

Sec. 4017. RCW 36.18.070 and 1963 c 4 s 36.18.070 are each amended to read as follows:

When any sheriff, constable or coroner serves more than one process in the same cause or on the same person not requiring more than one journey from his or her office, he or she shall receive mileage only for the most distant service.

Sec. 4018. RCW 36.18.080 and 1963 c 4 s 36.18.080 are each amended to read as follows:

Every county officer entitled to collect fees from the public shall keep posted in his or her office a plain and legible statement of the fees allowed by law and failure so to do shall subject the officer to a fine of one hundred dollars and costs, to be recovered in any court of competent jurisdiction.

Sec. 4019. RCW 36.18.090 and 1963 c 4 s 36.18.090 are each amended to read as follows:

Every officer, when requested so to do, shall make out a bill of his or her fees in every case, and for any services, specifying each particular item thereof, and receipt the same when it is paid, which bill of fees shall always be subject to examination and correction by the courts. Any officer who fails to comply with the requirements of this section shall be liable to the person paying the fees in treble the amount so paid.

****Sec. 4020. RCW 36.18.130 and 1963 c 4 s 36.18.130 are each amended to read as follows:***

If any errors or irregularities are found by the checking officer he or she shall immediately notify the officer interested, and if within three days after such notification the errors or irregularities are not corrected by such officer, the checking officer shall notify the board of county commissioners in writing and upon receipt of such notification the board shall proceed against such officer in the manner provided by law.

****Sec. 4020 was vetoed. See message at end of chapter.***

Sec. 4021. RCW 36.18.160 and 1963 c 4 s 36.18.160 are each amended to read as follows:

If any officer takes more or greater fees than are allowed by law he or she shall be subject to prosecution, and on conviction, shall be removed from office and fined in a sum not exceeding one thousand dollars.

Sec. 4022. RCW 36.18.180 and 1963 c 4 s 36.18.180 are each amended to read as follows:

The board of county commissioners of any county in this state, upon receiving a certified copy of the record of conviction of any officer for receiving illegal fees, or where the officer collects fees and fails to account for the same, upon proof thereof must declare his or her office vacant and appoint his or her successor.

Sec. 4023. RCW 36.22.030 and 1963 c 4 s 36.22.030 are each amended to read as follows:

Auditors and their deputies may administer oaths necessary in the performance of their duties and in all other cases where oaths are required by law to be administered and take acknowledgments of deeds and other instruments in writing: PROVIDED, That any deputy county auditor, in administering such oath or taking such acknowledgment, shall certify to the same in his or her own name as deputy, and not in the name of his or her principal, and shall attach thereto the seal of the office: PROVIDED, That all oaths administered or acknowledgments taken by any deputy of any county auditor certifying to the same in the name of his or her principal by himself or herself as such deputy, prior to the taking effect of chapter 119, Laws of 1893 be and the same are hereby legalized and made valid and binding.

Sec. 4024. RCW 36.22.040 and 1963 c 4 s 36.22.040 are each amended to read as follows:

The county auditor shall audit all claims, demands, and accounts against the county which by law are chargeable to the county, except such cost or fee bills as are by law to be examined or approved by some other judicial tribunal or officer. Such claims as it is his or her duty to audit shall be presented to the board of county commissioners for their examination and allowance.

Sec. 4025. RCW 36.22.050 and 1975 c 31 s 1 are each amended to read as follows:

For claims allowed by the county commissioners, and also for cost bills and other lawful claims duly approved by the competent tribunal designated by law for their allowance, he or she shall draw a warrant on the county treasurer, made payable to the claimant or his or her order, bearing date from the time of and regularly numbered in the order of their issue. If there is not sufficient cash in the county treasury to cover such claims or cost bills, or if a claimant requests, the auditor may issue a number of smaller warrants, the total principal amounts of which shall equal the amount of said claim or cost bill.

Sec. 4026. RCW 36.22.120 and 1963 c 4 s 36.22.120 are each amended to read as follows:

In case the auditor is unable to attend to the duties of his or her office during any session of the board of county commissioners, and has no deputy by him or her appointed in attendance, the board may temporarily appoint a suitable person not by law disqualified from acting as such to perform the auditor's duties.

Sec. 4027. RCW 36.22.150 and 1963 c 4 s 36.22.150 are each amended to read as follows:

Each auditor, on retiring from office, shall deliver to his or her successor the seal of office and all the books, records, and instruments of writing belonging to the office, and take his or her receipt therefor. In case of the death of the auditor, his or her legal representatives shall deliver over the seal, books, records and papers.

Sec. 4028. RCW 36.23.020 and 1963 c 4 s 36.23.020 are each amended to read as follows:

When the judge or judges of any court, or a majority of them, believe that the clerk of the court does not have a good and sufficient bond on file, or that the bond is not large enough in amount, such judge or judges shall enter an order

requiring him or her, within such time as may be specified in the order, to execute and present to them a good and sufficient bond, in such sum as may be fixed by the order. In case of his or her failure to file the bond within ten days from the expiration of the date fixed the judge or judges shall declare the office vacant.

Sec. 4029. RCW 36.23.040 and 1963 c 4 s 36.23.040 are each amended to read as follows:

The clerk shall be responsible for the safe custody and delivery to his or her successor of all books and papers belonging to his or her office.

***Sec. 4030.** *RCW 36.23.080 and 1963 c 4 s 36.23.080 are each amended to read as follows:*

The office of the clerk of the superior court shall be kept at the county seat of the county of which he or she is clerk.

**Sec. 4030 was vetoed. See message at end of chapter.*

Sec. 4031. RCW 36.24.010 and 1963 c 4 s 36.24.010 are each amended to read as follows:

The coroner shall perform the duties of the sheriff in all cases where the sheriff is interested or otherwise incapacitated from serving; and whenever the coroner acts as sheriff he or she shall possess the powers and perform all the duties of sheriff, and shall be liable on his or her official bond in like manner as the sheriff would be, and shall be entitled to the same fees as are allowed by law to the sheriff for similar services: PROVIDED, That nothing herein contained shall prevent the court from appointing a suitable person to discharge such duties, as provided by RCW 36.28.090.

Sec. 4032. RCW 36.24.020 and 1988 c 188 s 18 are each amended to read as follows:

Any coroner, in his or her discretion, may hold an inquest if the coroner suspects that the death of a person was unnatural, or violent, or resulted from unlawful means, or from suspicious circumstances, or was of such a nature as to indicate the possibility of death by the hand of the deceased or through the instrumentality of some other person: PROVIDED, That, except under suspicious circumstances, no inquest shall be held following a traffic death.

The coroner in the county where an inquest is to be convened pursuant to this chapter shall notify the superior court to provide persons to serve as a jury of inquest to hear all the evidence concerning the death and to inquire into and render a true verdict on the cause of death. Jurors shall be selected and summoned in the same manner and shall have the same qualifications as specified in chapter 2.36 RCW. The prosecuting attorney having jurisdiction shall be notified in advance of any such inquest to be held, and at his or her discretion may be present at and assist the coroner in the conduct of the same. The coroner may adjourn the inquest from time to time as he or she may deem necessary.

The costs of inquests shall be borne by the county in which the inquest is held.

Sec. 4033. RCW 36.24.040 and 1963 c 4 s 36.24.040 are each amended to read as follows:

When four or more of the jurors attend, they shall be sworn by the coroner to inquire who the person was, and when, where, and by what means he or she

came to his or her death, and into the circumstances attending his or her death, and to render a true verdict therein, according to the evidence afforded them, or arising from the inspection of the body.

Sec. 4034. RCW 36.24.070 and 1963 c 4 s 36.24.070 are each amended to read as follows:

After hearing the testimony, the jury shall render its verdict and certify the same in writing signed by the jurors, and setting forth who the person killed is, if known, and when, where and by what means he or she came to his or her death; or if he or she was killed, or his or her death was occasioned by the act of another by criminal means, who is guilty thereof, if known.

Sec. 4035. RCW 36.24.080 and 1963 c 4 s 36.24.080 are each amended to read as follows:

In all cases where murder or manslaughter is supposed to have been committed, the testimony of witnesses taken before the coroner's jury shall be reduced to writing by the coroner, or under his or her direction, and he or she shall also recognize such witnesses to appear and testify in the superior court of the county, and shall forthwith file the written testimony, inquisition, and recognizance with the clerk of such court.

Sec. 4036. RCW 36.24.090 and 1963 c 4 s 36.24.090 are each amended to read as follows:

If the person charged with the commission of the offense has been arrested before the inquisition has been filed, the coroner shall deliver the recognizance and the inquisition, with the testimony taken, to the magistrate before whom such person may be brought, who shall return the same, with the depositions and statements taken before him or her to the clerk of the superior court of the county.

Sec. 4037. RCW 36.24.110 and 1963 c 4 s 36.24.110 are each amended to read as follows:

The coroner's warrant shall be in substantially the following form:

State of Washington,	}	ss.
County of		

To any sheriff or constable of the county.

An inquisition having been this day found by the coroner's jury, before me, stating that A B has come to his or her death by the act of C D, by criminal means (or as the case may be, as found by the inquisition), you are therefore commanded, in the name of the state of Washington, forthwith to arrest the above named C D, and take him or her before the nearest or most accessible magistrate in this county.

Given under my hand this day of, A.D.
19. . .

E F, coroner of the county of

Sec. 4038. RCW 36.24.155 and 1969 ex.s. c 259 s 2 are each amended to read as follows:

Whenever anyone shall die within a county without making prior plans for the disposition of his or her body and there is no other person willing to provide for the disposition of the body, the county coroner shall cause such body to be entrusted to a funeral home in the county where the body is found. Disposition shall be on a rotation basis, which shall treat equally all funeral homes or mortuaries desiring to participate, such rotation to be established by the coroner after consultation with representatives of the funeral homes or mortuaries in the county or counties involved.

Sec. 4039. RCW 36.24.170 and 1963 c 4 s 36.24.170 are each amended to read as follows:

The coroner shall not appear or practice as attorney in any court, except in defense of himself or herself or his or her deputies.

Sec. 4040. RCW 36.24.180 and 1963 c 4 s 36.24.180 are each amended to read as follows:

Before auditing and allowing the account of the coroner the board of county commissioners shall require from him or her a verified statement in writing, accounting for all money or other property found upon persons on whom inquests have been held by him or her, and that the money or property mentioned in it has been delivered to the legal representatives of the deceased, or to the county treasurer.

Sec. 4041. RCW 36.26.050 and 1969 c 94 s 5 are each amended to read as follows:

The public defender shall make an annual report to each board of county commissioners within his or her district. If any public defender district embraces more than one county or a cooperating city, the public defender shall maintain records of expenses allocable to each county or city within the district, and shall charge such expenses only against the county or city for which the services were rendered or the costs incurred. The boards of county commissioners of counties and the governing authority of any city participating jointly in a public defender district are authorized to provide for the sharing of the costs of the district by mutual agreement, for any costs which cannot be specifically apportioned to any particular county or city within the district.

Expenditures by the public defender shall be subject to the provisions of chapter 36.40 RCW and other statutes relating to expenditures by counties or cities.

Sec. 4042. RCW 36.26.060 and 1969 c 94 s 6 are each amended to read as follows:

(1) The board of county commissioners shall:

(a) Fix the compensation of the public defender and of any staff appointed to assist him or her in the discharge of his or her duties: PROVIDED, That the compensation of the public defender shall not exceed that of the county prosecutor in those districts which comprise only one county;

(b) Provide office space, furniture, equipment and supplies for the use of the public defender suitable for the conduct of his or her office in the discharge of his or her duties, or provide an allowance in lieu of facilities and supplies.

(2) The public defender may appoint as many assistant attorney public defenders, clerks, investigators, stenographers and other employees as the board of county commissioners considers necessary in the discharge of his or her duties as a public defender.

Sec. 4043. RCW 36.26.070 and 1984 c 76 s 18 are each amended to read as follows:

The public defender must represent, without charge to any accused, every indigent person who is or has been arrested or charged with a crime for which court appointed counsel for indigent defendants is required either under the Constitution of the United States or under the Constitution and laws of the state of Washington:

(1) If such arrested person or accused, having been apprised of his or her constitutional and statutory rights to counsel, requests the appointment of counsel to represent him or her; and

(2) If a court, on its own motion or otherwise, does not appoint counsel to represent the accused; and

(3) Unless the arrested person or accused, having been apprised of his or her right to counsel in open court, affirmatively rejects or intelligently repudiates his or her constitutional and statutory rights to be represented by counsel.

Sec. 4044. RCW 36.26.080 and 1969 c 94 s 8 are each amended to read as follows:

Whenever the public defender represents any indigent person held in custody without commitment or charged with any criminal offense, he or she must (1) counsel and defend such person, and (2) prosecute any appeals and other remedies, whether before or after conviction, which he or she considers to be in the interests of justice.

Sec. 4045. RCW 36.27.010 and 1963 c 4 s 36.27.010 are each amended to read as follows:

No person shall be eligible to the office of prosecuting attorney in any county of this state, unless he or she is a qualified elector therein, and has been admitted as an attorney and counselor of the courts of this state.

Sec. 4046. RCW 36.27.030 and 1963 c 4 s 36.27.030 are each amended to read as follows:

When from illness or other cause the prosecuting attorney is temporarily unable to perform his or her duties, the court or judge may appoint some qualified person to discharge the duties of such officer in court until the disability is removed.

When any prosecuting attorney fails, from sickness or other cause, to attend a session of the superior court of his or her county, or is unable to perform his or her duties at such session, the court or judge may appoint some qualified person to discharge the duties of such session, and the appointee shall receive a compensation to be fixed by the court, to be deducted from the stated salary of the prosecuting attorney, not exceeding, however, one-fourth of the quarterly salary of the prosecuting attorney: PROVIDED, That in counties wherein there is no person qualified for the position of prosecuting attorney, or wherein no qualified person will consent to perform the duties of that office, the judge of the superior court shall appoint some suitable person, a duly admitted and practicing attorney-at-law and resident of the state to perform the duties of prosecuting

attorney for such county, and he or she shall receive such reasonable compensation for his or her services as shall be fixed and ordered by the court, to be paid by the county for which the services are performed.

Sec. 4047. RCW 36.27.040 and 2000 c 23 s 2 are each amended to read as follows:

The prosecuting attorney may appoint one or more deputies who shall have the same power in all respects as their principal. Each appointment shall be in writing, signed by the prosecuting attorney, and filed in the county auditor's office. Each deputy thus appointed shall have the same qualifications required of the prosecuting attorney, except that such deputy need not be a resident of the county in which he or she serves. The prosecuting attorney may appoint one or more special deputy prosecuting attorneys upon a contract or fee basis whose authority shall be limited to the purposes stated in the writing signed by the prosecuting attorney and filed in the county auditor's office. Such special deputy prosecuting attorney shall be admitted to practice as an attorney before the courts of this state but need not be a resident of the county in which he or she serves and shall not be under the legal disabilities attendant upon prosecuting attorneys or their deputies except to avoid any conflict of interest with the purpose for which he or she has been engaged by the prosecuting attorney. The prosecuting attorney shall be responsible for the acts of his or her deputies and may revoke appointments at will.

Two or more prosecuting attorneys may agree that one or more deputies for any one of them may serve temporarily as deputy for any other of them on terms respecting compensation which are acceptable to said prosecuting attorneys. Any such deputy thus serving shall have the same power in all respects as if he or she were serving permanently.

The provisions of chapter 39.34 RCW shall not apply to such agreements.

The provisions of RCW 41.56.030(2) shall not be interpreted to permit a prosecuting attorney to alter the at-will relationship established between the prosecuting attorney and his or her appointed deputies by this section for a period of time exceeding his or her term of office. Neither shall the provisions of RCW 41.56.030(2) require a prosecuting attorney to alter the at-will relationship established by this section.

Sec. 4048. RCW 36.27.050 and 1963 c 4 s 36.27.050 are each amended to read as follows:

No prosecuting attorney shall receive any fee or reward from any person, on behalf of any prosecution, or for any of his or her official services, except as provided in this title, nor shall he or she be engaged as attorney or counsel for any party in any action depending upon the same facts involved in any criminal proceeding.

Sec. 4049. RCW 36.27.070 and 1963 c 4 s 36.27.070 are each amended to read as follows:

The prosecuting attorney of each county in the state of Washington must keep an office at the county seat of the county of which he or she is prosecuting attorney.

Sec. 4050. RCW 36.28.010 and 1965 c 92 s 1 are each amended to read as follows:

The sheriff is the chief executive officer and conservator of the peace of the county. In the execution of his or her office, he or she and his or her deputies:

(1) Shall arrest and commit to prison all persons who break the peace, or attempt to break it, and all persons guilty of public offenses;

(2) Shall defend the county against those who, by riot or otherwise, endanger the public peace or safety;

(3) Shall execute the process and orders of the courts of justice or judicial officers, when delivered for that purpose, according to law;

(4) Shall execute all warrants delivered for that purpose by other public officers, according to the provisions of particular statutes;

(5) Shall attend the sessions of the courts of record held within the county, and obey their lawful orders or directions;

(6) Shall keep and preserve the peace in their respective counties, and quiet and suppress all affrays, riots, unlawful assemblies and insurrections, for which purpose, and for the service of process in civil or criminal cases, and in apprehending or securing any person for felony or breach of the peace, they may call to their aid such persons, or power of their county as they may deem necessary.

Sec. 4051. RCW 36.28.020 and 1963 c 4 s 36.28.020 are each amended to read as follows:

Every deputy sheriff shall possess all the power, and may perform any of the duties, prescribed by law to be performed by the sheriff, and shall serve or execute, according to law, all process, writs, precepts, and orders, issued by lawful authority.

Persons may also be deputed by the sheriff in writing to do particular acts; including the service of process in civil or criminal cases, and the sheriff shall be responsible on his or her official bond for their default or misconduct.

Sec. 4052. RCW 36.28.030 and 1963 c 4 s 36.28.030 are each amended to read as follows:

Whenever the company acting as surety on the official bond of a sheriff is disqualified, insolvent, or the penalty of the bond becomes insufficient on account of recovery had thereon, or otherwise, the sheriff shall submit a new or additional bond for approval to the board of county commissioners, if in session, or, if not in session, for the approval of the ((~~chairman~~)) chair of such board, and file the same, when approved, in the office of the county clerk of his or her county, and such new or additional bond shall be in a penal sum sufficient in amount to equal the sum specified in the original bond when added to the penalty of any existing bond, so that under one or more bonds there shall always be an enforceable obligation of the surety on the official bond or bonds of the sheriff in a penal sum of not less than the amount of the bond as originally approved.

Sec. 4053. RCW 36.28.040 and 1963 c 4 s 36.28.040 are each amended to read as follows:

No sheriff, deputy sheriff, or coroner shall be liable for any damages for neglecting or refusing to serve any civil process unless his or her legal fees are first tendered him or her.

Sec. 4054. RCW 36.28.050 and 1963 c 4 s 36.28.050 are each amended to read as follows:

If any property levied upon by virtue of any writ of attachment or execution or other order issued to the sheriff out of any court in this state is claimed by any person other than the defendant, and such person or his or her agent or attorney makes affidavit of his or her title thereto or his or her right to possession thereof, stating the value thereof and the basis of such right or title, the sheriff may release such levy, unless the plaintiff on demand indemnifies the sheriff against such claim by an undertaking executed by a sufficient surety.

No claim to such property by any person other than the defendant shall be valid against the sheriff, unless the supporting affidavit is made. Notwithstanding receipt of a proper claim the sheriff shall retain such property under levy a reasonable time to demand such indemnity.

Any sheriff, or other levying officer, may require an indemnifying bond of the plaintiff in all cases where he or she has to take possession of personal property.

Sec. 4055. RCW 36.28.090 and 1963 c 4 s 36.28.090 are each amended to read as follows:

When there is no sheriff of a county, or he or she is disqualified from any cause from discharging any particular duty, it shall be lawful for the officer or person commanding or desiring the discharge of that duty to appoint some suitable person, a citizen of the county, to execute the same: PROVIDED, That final process shall in no case be executed by any person other than the legally authorized officer; or in case he or she is disqualified, some suitable person appointed by the court, or judge thereof, out of which the process issues, who shall make such appointment in writing; and before such appointment shall take effect, the person appointed shall give security to the party interested for the faithful performance of his or her duties, which bond of suretyship shall be in writing, approved by the court or judge appointing him or her, and be placed on file with the papers in the case.

Sec. 4056. RCW 36.28.130 and 1963 c 4 s 36.28.130 are each amended to read as follows:

In all cases where any sheriff, constable or coroner has executed any writ or other process delivered to him or her by his or her predecessor, or has completed any business commenced by his or her predecessor under any writ or process, and has completed any other business commenced by his or her predecessor, and in all cases where any sheriff, constable or coroner has executed any writ or other process, or completed any business connected with his or her office after the expiration of his or her term of office, which writ or process he or she had commenced to execute, or which business he or she had commenced to perform, prior to the expiration of his or her term of office, such action shall be valid and effectual for all purposes.

Sec. 4057. RCW 36.28.150 and 1963 c 4 s 36.28.150 are each amended to read as follows:

Whenever any sheriff neglects to make due return of any writ or other process delivered to him or her to be executed, or is guilty of any default or misconduct in relation thereto, he or she shall be liable to fine or attachment, or both, at the discretion of the court, subject to appeal, such fine, however, not to

exceed two hundred dollars; and also to an action for damages to the party aggrieved.

**Sec. 4058. RCW 36.28.160 and 1963 c 4 s 36.28.160 are each amended to read as follows:*

The sheriff must keep his or her office at the county seat of the county of which he or she is sheriff.

**Sec. 4058 was vetoed. See message at end of chapter.*

Sec. 4059. RCW 36.28.170 and 1963 c 50 s 1 are each amended to read as follows:

The executive secretary of the Washington state association of elected county officials, upon written approval of a majority of the sheriffs in the state, shall file with the secretary of state a description of a standard uniform which may be withdrawn or modified by re-filing in the same manner as originally filed. A uniform of the description so filed shall thereafter be reserved exclusively for the use of sheriffs and their deputies: PROVIDED, That the filing of a standard uniform description shall not make mandatory the adoption of said uniform by any county sheriff or his or her deputies.

Sec. 4060. RCW 36.28.180 and 1979 c 132 s 1 are each amended to read as follows:

A county may from available funds provide for an allowance for clothing and other incidentals necessary to the performance of official duties for the sheriff and his or her deputies.

Sec. 4061. RCW 36.29.025 and 1963 c 4 s 36.29.025 are each amended to read as follows:

The county treasurer in each of the organized counties of the state of Washington, shall be by his or her county provided with a seal of office for the authentication of all tax deeds, papers, writing and documents required by law to be certified or authenticated by him or her. Such seal shall bear the device of crosskeys and the words: Official Seal Treasurer County, Washington; and an imprint of such seal, together with the certificate of the county treasurer that such seal has been regularly adopted, shall be filed in the office of the county auditor of such county.

Sec. 4062. RCW 36.29.130 and 1963 c 4 s 36.29.130 are each amended to read as follows:

The county treasurer, upon receipt of the tax roll, shall proceed to collect and receipt for the municipal taxes extended thereon at the same time and in the same manner as he or she proceeds in the collection of other taxes on such roll.

Sec. 4063. RCW 36.32.050 and 1963 c 4 s 36.32.050 are each amended to read as follows:

County commissioners shall be elected by the qualified voters of the county and the person receiving the highest number of votes for the office of commissioner for the district in which he or she resides shall be declared duly elected from that district.

Sec. 4064. RCW 36.32.060 and 1963 c 4 s 36.32.060 are each amended to read as follows:

The bond of each county commissioner shall be payable to the county, and it shall be conditioned that the commissioner shall well and faithfully discharge the

duties of his or her office, and not approve, audit, or order paid any illegal, unwarranted, or unjust claim against the county for personal services.

Sec. 4065. RCW 36.32.100 and 1963 c 4 s 36.32.100 are each amended to read as follows:

The board of county commissioners at their first session after the general election shall elect one of its number to preside at its meetings. He or she shall sign all documents requiring the signature of the board, and his or her signature as ~~((chairman))~~ chair of the board shall be as legal and binding as if all members had affixed their names. In case the ~~((chairman))~~ chair is absent at any meeting of the board, all documents requiring the signature of the board shall be signed by both members present.

Sec. 4066. RCW 36.32.135 and 1963 c 4 s 36.32.135 are each amended to read as follows:

The county commissioners of each county shall have and use a seal for the purpose of sealing their proceedings, and copies of the same when signed and sealed by the said county commissioners, and attested by their clerk, shall be admitted as evidence of such proceedings in the trial of any cause in any court in this state; and until such seal shall be provided, the private seal of the ~~((chairman))~~ chair of such board of county commissioners shall be adopted as a seal.

Sec. 4067. RCW 36.32.310 and 1963 c 4 s 36.32.310 are each amended to read as follows:

Whenever a member of the board of county commissioners of any county has a claim for compensation for per diem and expenses for attendance upon any special session of the board or a claim for compensation for extra services or expenses incurred as such commissioners, including services performed as road commissioner, the claim shall be verified by him or her and after being approved by a majority of the board of county commissioners of the county shall be filed with the clerk of the superior court and be approved by a judge of the superior court of such county or any superior court judge holding court in such county. The judge may make such investigation as he or she deems necessary to determine the correctness of the claim and may, after such investigation, approve or reject any part of such claim. If the judge so approve the claim or any part thereof the same shall be certified by the clerk under the seal of his or her office and be returned to the county auditor who shall draw a warrant therefor. The court shall not be required oftener than once in each month to pass upon such claims and it may fix a time in each month by general order filed with the clerk of the board of county commissioners on or before which such claims must be filed with the clerk of the court.

Sec. 4068. RCW 36.32.330 and 1963 c 4 s 36.32.330 are each amended to read as follows:

Any person may appeal to the superior court from any decision or order of the board of county commissioners. Such appeal shall be taken within twenty days after the decision or order, and the appellant shall within that time serve notice of appeal on the county commissioners. The notice shall be in writing and shall be delivered to at least one of the county commissioners personally, or left with the county auditor. The appellant shall, within ten days after service of the notice of appeal give a bond to the county with one or more sureties, to be

approved by the county auditor, conditioned for the payment of all costs which shall be adjudged against him or her on such appeal in the superior court. The practice regulating appeals from and writs of certiorari to justice's courts shall, insofar as applicable, govern in matters of appeal from a decision or order of the board of county commissioners.

Nothing herein contained shall be construed to prevent a party having a claim against any county in this state from enforcing the collection thereof by civil action in any court of competent jurisdiction after the same has been presented to and filed as provided by law and disallowed in whole or in part by the board of county commissioners of the proper county. Such action must, however, be commenced within the time limitation provided in RCW 36.45.030.

Sec. 4069. RCW 36.33.070 and 1963 c 4 s 36.33.070 are each amended to read as follows:

Whenever the county treasurer deems it expedient and for the best interests of the county he or she may invest any moneys in the county current expense fund in outstanding warrants on the county tax refund fund in the following manner: When he or she has determined the amount of moneys in the county current expense fund available for investment, he or she shall call, in the order of their issuance, a sufficient number of warrants drawn on the county tax refund fund as nearly as possible equaling in amount but not exceeding the moneys to be invested, and upon presentation and surrender thereof he or she shall pay to the holders of such warrants the face amount thereof and the accrued interest thereon out of moneys in the county current expense fund.

Sec. 4070. RCW 36.33.080 and 1963 c 4 s 36.33.080 are each amended to read as follows:

Upon receipt of any such warrant on the tax refund fund the county treasurer shall enter the principal amount thereof, and accrued interest thereon, as a suspense credit upon his or her records, and shall hold the warrant until it with interest, if any, is paid in due course out of the county tax refund fund, and upon such payment, the amount thereof shall be restored to the county current expense fund. The refund warrants held by the county treasurer shall continue to draw interest until the payment thereof out of the county tax refund fund, which interest accruing subsequent to acquisition of the warrants by the county treasurer shall be paid into the county current expense fund.

Sec. 4071. RCW 36.33.190 and 1963 c 4 s 36.33.190 are each amended to read as follows:

The county treasurer shall cash any United States bonds owned by the county as they mature or, with the approval of the state finance committee and of the county finance committee, he or she may at any time sell them. In either event he or she must return the proceeds into the treasury.

Sec. 4072. RCW 36.34.070 and 1963 c 4 s 36.34.070 are each amended to read as follows:

The board may advertise and sell used highway or other equipment belonging to the county or to any taxing division thereof subject to its jurisdiction in the manner prescribed for the sale of county property, or it may trade it in on the purchase of new equipment. If the board elects to trade in the used equipment it shall include in its call for bids on the new equipment a notice that the county has for sale or trade-in used equipment of a specified type and

description which will be sold or traded in on the same day and hour that the bids on the new equipment are opened. Any bidder on the new equipment may include in his or her offer to sell, an offer to accept the used equipment as a part payment of the new equipment purchase price, setting forth the amount of such allowance.

In determining the lowest and best bid on the new equipment the board shall consider the net cost to the county of such new equipment after trade-in allowances have been deducted. The board may accept the new equipment bid of any bidder without trading in the used equipment but may not require any such bidder to purchase the used equipment without awarding the bidder the new equipment contract. Nothing in this section shall bar anyone from making an offer for the purchase of the used equipment independent of a bid on the new equipment and the board shall consider such offers in relation to the trade-in allowances offered to determine the net best sale and purchase combination for the county.

Sec. 4073. RCW 36.34.150 and 1963 c 4 s 36.34.150 are each amended to read as follows:

Any person desiring to lease county lands shall make application in writing to the board of county commissioners. Each application shall be accompanied by a deposit of not less than ten dollars or such other sum as the county commissioners may require, not to exceed twenty-five dollars. The deposit shall be in the form of a certified check or certificate of deposit on some bank in the county, or may be paid in cash. In case the lands applied for are leased at the time they are offered, the deposit shall be returned to the applicant, but if the party making application fails or refuses to comply with the terms of his or her application and to execute the lease, the deposit shall be forfeited to the county, and the board of county commissioners shall pay the deposit over to the county treasurer, who shall place it to the credit of the current expense fund.

Sec. 4074. RCW 36.34.200 and 1963 c 4 s 36.34.200 are each amended to read as follows:

Upon the decision of the board of county commissioners to lease the lands applied for, a lease shall be executed in duplicate to the lessee by the ((~~chairman~~)) chair of the board and the county auditor, attested by his or her seal of office, which lease shall also be signed by the lessee. The lease shall refer to the order of the board directing the lease, with a description of the lands conveyed, the periods of payment, and the amounts to be paid for each period.

Sec. 4075. RCW 36.35.180 and 1998 c 106 s 17 are each amended to read as follows:

Upon filing a copy of the summons and notice in the office of the county clerk, service thereof as against every interest in and claim against any and every part of the property described in such summons and notice, and every person, firm, or corporation, except one who is in the actual, open and notorious possession of any of the properties, shall be had by publication in the official county newspaper for six consecutive weeks; and no affidavit for publication of such summons and notice shall be required. In case special assessments imposed by a city or town against any of the real property described in the summons and notice remain outstanding, a copy of the same shall be served on

the treasurer of the city or town within which such real property is situated within five days after such summons and notice is filed.

The summons and notice in such action shall contain the title of the court; specify in general terms the years for which the taxes were levied and the amount of the taxes and the costs for which each tract of land was sold; give the legal description of each tract of land involved, and the tax record owner thereof during the years in which the taxes for which the property was sold were levied; state that the purpose of the action is to foreclose all adverse claims of every nature in and to the property described, and to have the title of existing liens and claims of every nature against the described real property, except that of the county, forever barred.

The summons and notice shall also summon all persons, firms and corporations claiming any right, title and interest in and to the described real property to appear within sixty days after the date of the first publication, specifying the day and year, and state in writing what right, title and interest they have or claim to have in and to the property described, and file the same with the clerk of the court above named; and shall notify them that in case of their failure so to do, judgment will be rendered determining that the title to the real property is in the county free from all existing adverse interests, rights or claims whatsoever: PROVIDED, That in case any of the lands involved is in the actual, open and notorious possession of anyone at the time the summons and notice is filed, as herein provided, a copy of the same modified as herein specified shall be served personally upon such person in the same manner as summons is served in civil actions generally. The summons shall be substantially in the form above outlined, except that in lieu of the statement relative to the date and day of publication it shall require the person served to appear within twenty days after the day of service, exclusive of the date of service, and that the day of service need not be specified therein, and except further that the recitals regarding the amount of the taxes and costs and the years the same were levied, the legal description of the land and the tax record owner thereof may be omitted except as to the land occupied by the persons served.

Every summons and notice provided for in RCW 36.35.160 through 36.35.270 shall be subscribed by the prosecuting attorney of the county, or by any successor or assign of the county or his or her attorney, as the case may be, followed by the post office address of the successor or assign.

Sec. 4076. RCW 36.35.190 and 1961 c 15 s 84.64.360 are each amended to read as follows:

Any person, firm or corporation who or which may have been entitled to redeem the property involved prior to the issuance of the treasurer's deed to the county, and his or her or its successor in interest, shall have the right, at any time after the commencement of, and prior to the judgment in the action authorized herein, to redeem such property by paying to the county treasurer the amount of the taxes for which the property was sold to the county, and the amount of any other general taxes which may have accrued prior to the issuance of said treasurer's deed, together with interest on all such taxes from the date of delinquency thereof, respectively, at the rate of twelve percent per annum, and by paying for the benefit of the assessment district concerned the amount of principal, penalty and interest of all special assessments, if any, which shall have been levied against such property and by paying such proportional part of the

costs of the tax foreclosure proceedings and of the action herein authorized as the county treasurer shall determine.

Upon redemption of any property before judgment as herein provided, the county treasurer shall issue to the redemptioner a certificate specifying the amount of the taxes, special assessments, penalty, interest and costs charged describing the land and stating that the taxes, special assessments, penalty, interest and costs specified have been fully paid, and the lien thereof discharged. Such certificate shall clear the land described therein from any claim of the county based on the treasurer's deed previously issued in the tax foreclosure proceedings.

Sec. 4077. RCW 36.35.220 and 1961 c 15 s 84.64.390 are each amended to read as follows:

Any person filing a statement in such action shall pay the clerk of the court an appearance fee in the amount required by the county for appearances in civil actions, and shall be required to tender the amount of all taxes, interest and costs charged against the real property to which he or she lays claim, and no further costs in such action shall be required or recovered.

Sec. 4078. RCW 36.35.230 and 1988 c 202 s 71 are each amended to read as follows:

Any person aggrieved by the judgment rendered in such action may seek appellate review of the part of said judgment objectionable to him or her in the manner and within the time prescribed for appeals in RCW 84.64.120.

Sec. 4079. RCW 36.35.240 and 1961 c 15 s 84.64.410 are each amended to read as follows:

The judgment rendered in such action, unless appealed from within the time prescribed herein and upon final judgment on appeal, shall be conclusive, without the right of redemption upon and against every person who may or could claim any lien or any right, title or interest in or to any of the properties involved in said action, including minors, insane persons, those convicted of crime, as well as those free from disability, and against those who may have at any time attempted to pay any tax on any of the properties, and against those in actual open and notorious possession of any of said properties.

Such judgment shall be conclusive as to those who appeal therefrom, except as to the particular property to which such appellant laid claim in the action and concerning which he or she appealed, and shall be conclusive as to those in possession of any property and who were not served except as to the property which such person is in the actual, open and notorious possession of, and in any case where it is asserted that the judgment was not conclusive because of such possession, the burden of showing such actual, open and notorious possession shall be on the one asserting such possession.

Sec. 4080. RCW 36.38.020 and 1979 c 151 s 38 are each amended to read as follows:

In addition to the provisions levying and fixing the amount of tax, the ordinance may contain any or all of the following provisions:

- (1) A provision defining the words and terms used therein;
- (2) A provision requiring the price (exclusive of the tax to be paid by the person paying for admission) at which every admission ticket or card is sold to be conspicuously and indelibly printed or written on the face or back of that part

of the ticket which is to be taken up by the management of the place for which an admission charge is exacted, and making the violation of such provision a misdemeanor punishable by fine of not exceeding one hundred dollars;

(3) Provisions fixing reasonable exemptions from such tax;

(4) Provisions allowing as an offset against the tax, the amount of like taxes levied, fixed, and collected within their jurisdiction by incorporated cities and towns in the county;

(5) A provision requiring persons receiving payments for admissions taxed under said ordinance to collect the amount of the tax from the persons making such payments;

(6) A provision to the effect that the tax imposed by said ordinance shall be deemed to be held in trust by the person required to collect the same until paid to the county treasurer, and making it a misdemeanor for any person receiving payment of the tax and appropriating or converting the same to his or her own use or to any use other than the payment of the tax as provided in said ordinance to the extent that the amount of such tax is not available for payment on the due date for filing returns as provided in said ordinance;

(7) A provision that in case any person required by the ordinance to collect the tax imposed thereby fails to collect the same, or having collected the tax fails to pay the same to the county treasurer in the manner prescribed by the ordinance, whether such failure is the result of such person's own acts or the result of acts or conditions beyond such person's control, such person shall nevertheless be personally liable to the county for the amount of the tax;

(8) Provisions fixing the time when the taxes imposed by the ordinance shall be due and payable to the county treasurer; requiring persons receiving payments for admissions to make periodic returns to the county treasurer on such forms and setting forth such information as the county treasurer may specify; requiring such return to show the amount of tax upon admissions for which such person is liable for specified preceding periods, and requiring such person to sign and transmit the same to the county treasurer together with a remittance for the amount;

(9) A provision requiring taxpayers to file with the county treasurer verified annual returns setting forth such additional information as he or she may deem necessary to determine tax liability correctly;

(10) A provision to the effect that whenever a certificate of registration, if required by the ordinance, is obtained for operating or conducting temporary places of amusement by persons who are not the owners, lessees, or custodians of the building, lot or place where the amusement is to be conducted, or whenever the business is permitted to be conducted without the procurement of a certificate, the tax imposed shall be returned and paid as provided in the ordinance by such owner, lessee, or custodian, unless paid by the person conducting the place of amusement;

(11) A provision requiring the applicant for a temporary certificate of registration, if required by the ordinance, to furnish with the application therefor, the name and address of the owner, lessee, or custodian of the premises upon which the amusement is to be conducted, and requiring the county treasurer to notify such owner, lessee, or custodian of the issuance of any such temporary certificate, and of the joint liability for such tax;

(12) A provision empowering the county treasurer to declare the tax upon temporary or itinerant places of amusement to be immediately due and payable and to collect the same, when he or she believes there is a possibility that the tax imposed under the ordinance will not be otherwise paid;

(13) Any or all of the applicable general administrative provisions contained in RCW 82.32.010 through 82.32.340 and 82.32.380, and the amendments thereto, except that unless otherwise indicated by the context of said sections, in all provisions so incorporated in such ordinance (a) the term "county treasurer" (of the county enacting said ordinance) shall be substituted for each reference made in said sections to the "department," the "department of revenue," "any employee of the department," or "director of the department of revenue"; (b) the name of the county enacting such ordinance shall be substituted for each reference made in said sections to the "state" or to the "state of Washington"; (c) the term "this ordinance" shall be substituted for each reference made in said sections to "this chapter"; (d) the name of the county enacting said ordinance shall be substituted for each reference made in said sections to "Thurston county"; and (e) the term "board of county commissioners" shall be substituted for each reference made in said sections to the "director of financial management."

****Sec. 4081. RCW 36.40.010 and 1963 c 4 s 36.40.010 are each amended to read as follows:***

On or before the second Monday in July of each year the county auditor shall notify in writing each county official, elective or appointive, in charge of an office, department, service, or institution of the county, to file with him or her on or before the second Monday in August thereafter detailed and itemized estimates, both of the probable revenues from sources other than taxation, and of all expenditures required by such office, department, service, or institution for the ensuing fiscal year.

*Sec. 4081 was vetoed. See message at end of chapter.

****Sec. 4082. RCW 36.40.130 and 1963 c 4 s 36.40.130 are each amended to read as follows:***

Expenditures made, liabilities incurred, or warrants issued in excess of any of the detailed budget appropriations or as revised by transfer as in RCW 36.40.100, 36.40.110 or 36.40.120 provided shall not be a liability of the county, but the official making or incurring such expenditure or issuing such warrant shall be liable therefor personally and upon his or her official bond. The county auditor shall issue no warrant and the county commissioners shall approve no claim for any expenditure in excess of the detailed budget appropriations or as revised under the provisions of RCW 36.40.100 through 36.40.130, except upon an order of a court of competent jurisdiction, or for emergencies as hereinafter provided. Any county commissioner, or county auditor, approving any claim or issuing any warrant in excess of any such budget appropriation except as herein provided shall forfeit to the county fourfold the amount of such claim or warrant which shall be recovered by action against such county commissioner or auditor, or all of them, and the several sureties on their official bonds.

*Sec. 4082 was vetoed. See message at end of chapter.

**Sec. 4083. RCW 36.40.210 and 1963 c 4 s 36.40.210 are each amended to read as follows:*

On or before the twenty-fifth day of each month the auditor shall submit to the board of county commissioners a report showing the expenditures and liabilities against each separate budget appropriation incurred during the preceding calendar month and like information for the whole of the current fiscal year to the first day of said month, together with the unexpended and unencumbered balance of each appropriation. He or she shall also set forth the receipts from taxes and from sources other than taxation for the same periods.

**Sec. 4083 was vetoed. See message at end of chapter.*

Sec. 4084. RCW 36.48.040 and 1963 c 4 s 36.48.040 are each amended to read as follows:

The county treasurer shall deposit with any depository, which has fully complied with all requirements of RCW 36.48.010 through 36.48.060, any county money in his or her hands or under his or her official control, and for the purpose of making the quarterly settlement and counting funds in the hands of the treasurer any sums so on deposit shall be deemed to be in the county treasury.

Sec. 4085. RCW 36.48.050 and 1963 c 4 s 36.48.050 are each amended to read as follows:

The provisions of RCW 36.48.010 through 36.48.060 shall in no way relieve or release the county treasurer from any liability upon his or her official bond as such treasurer, or any surety upon such bond, and shall in no way affect the duty of the several county treasurers to give bond as required by law.

Sec. 4086. RCW 36.53.030 and 1963 c 4 s 36.53.030 are each amended to read as follows:

No license shall be granted to any person other than the owner of the land embracing or adjoining the lake or stream where the ferry is proposed to be kept, unless the owner neglects to apply therefor. Whenever application for a license is made by any person other than the owner, the board of county commissioners shall not grant it, unless proof is made that the applicant caused notice, in writing, of his or her intention to make such application to be given to such owner, if residing in the county, at least ten days before the session of the board of county commissioners at which application is made.

Sec. 4087. RCW 36.53.040 and 1963 c 4 s 36.53.040 are each amended to read as follows:

Every person intending to apply for a license to keep a ferry at any place shall give notice of his or her intention by posting up at least three notices in public places in the neighborhood where the ferry is proposed to be kept, twenty days prior to any regular session of the board of county commissioners at which the application is to be made.

Sec. 4088. RCW 36.53.060 and 1963 c 4 s 36.53.060 are each amended to read as follows:

Every person obtaining a license to keep a ferry shall provide and keep in good and complete repair the necessary boat or boats for the safe conveyance of all persons and property, and furnish such boats at all times with suitable oars, setting poles, and other implements necessary for the service thereof, and shall keep a sufficient number of discreet and skillful men or women ferry workers to

attend and manage the same; and he or she shall also at all times keep the place of embarking and landing in good order and repair, by cutting away the bank of the stream so that persons and property may be embarked and landed without danger or unnecessary delay.

Sec. 4089. RCW 36.53.100 and 1963 c 4 s 36.53.100 are each amended to read as follows:

Every person licensed to keep a ferry shall post up, in some conspicuous place near his or her ferry landing a list of the rates of ferriage which are chargeable by law at such ferry, which list of rates shall at all times be plain and legible and posted up so near the place where persons pass across the ferry that it may be easily read. If the keeper neglects or refuses to post and keep up such list, it shall not be lawful to charge or take any ferriage or compensation at the ferry, during the time of such delinquency.

Sec. 4090. RCW 36.53.120 and 1963 c 4 s 36.53.120 are each amended to read as follows:

Every person licensed to keep a ferry under the provisions of RCW 36.53.010 through 36.53.140 shall have the exclusive privilege of transporting all persons and property over and across the stream where the ferry is established, and shall be entitled to all the fare arising by law therefrom: PROVIDED, That any person may cross such stream at the ferry location in his or her own boat, or take in and carry over his or her neighbor, when done without fee or charge, and not with intent to injure the person licensed to keep a ferry.

Sec. 4091. RCW 36.53.130 and 1963 c 4 s 36.53.130 are each amended to read as follows:

If any person licensed to keep a ferry fails to pay the taxes assessed thereon when due, or to provide and keep in good and complete repair the necessary boat or boats, with the oars, setting poles, and other necessary implements for the service thereof, or to employ a sufficient number of skilled and discreet (~~(ferryman))~~ ferry workers within three months from the time license is granted, or if the ferry is not at any time kept in good condition and repair, or if it is abandoned, disused, or unfrequented for the space of six months at any one time, the board of county commissioners, on complaint being made in writing, may summon the person licensed to keep such ferry, to show cause why his or her license should not be revoked. The board may revoke or not according to the testimony adduced and the laws of this state, the decision subject to review by the superior court: PROVIDED, That if disuse resulted because the stream is fordable at certain seasons of the year, or because travel by that route is subject to periodical fluctuations, it shall not work a forfeiture within the meaning of this section.

Sec. 4092. RCW 36.54.040 and 1963 c 4 s 36.54.040 are each amended to read as follows:

The boards of county commissioners of the two counties, participating in a joint ferry, shall meet in joint session at the county seat of one of the counties interested, and shall elect one of their members as (~~(chairman))~~ chair of the joint board of commissioners, who shall act as such (~~(chairman))~~ chair during the remainder of his or her term of office, and, at the expiration of his or her term of office, the two boards of county commissioners shall meet and elect a new (~~(chairman))~~ chair, who shall act as such (~~(chairman))~~ chair during his or her

term of office as county commissioner, and they shall continue to elect a ((~~chairman~~)) chair in like manner thereafter. The county auditors of the counties shall be clerks of such joint commission, and the county auditor of the county where each meeting is held shall act as clerk of the commission at all meetings held in his or her county. Each county auditor, as soon as the joint commission is organized, shall procure a record book and enter therein a complete record of the proceedings of the commission, and immediately after each adjournment the county auditor of the county in which the meeting is held shall forward a complete copy of the minutes of the proceedings of the commission to the auditor of the other county to be entered by him or her in his or her record. Each county shall keep a complete record of the proceedings of the commission.

Sec. 4093. RCW 36.54.060 and 1963 c 4 s 36.54.060 are each amended to read as follows:

All claims and accounts for the construction, operation and maintenance of a joint county ferry shall be presented to and audited by the joint commission: PROVIDED, That items of expense connected with the operation of such ferry which do not exceed the sum of thirty dollars may be presented to the ((~~chairman~~)) chair of the joint commission and allowed by him or her and when allowed shall be a joint charge against the road fund of each of the counties operating such ferry.

Sec. 4094. RCW 36.55.050 and 1963 c 4 s 36.55.050 are each amended to read as follows:

The hearing may be adjourned from time to time by the order of the board of county commissioners. If, after the hearing, the board deems it to be for the public interest to grant the franchise in whole or in part, it may make and enter a resolution to that effect and may require the applicant to place his or her utility and its appurtenances in such location on or along the county road as the board finds will cause the least interference with other uses of the road.

Sec. 4095. RCW 36.57.050 and 1974 ex.s. c 167 s 5 are each amended to read as follows:

The authority shall elect a ((~~chairman~~)) chair, and appoint a general manager who shall be experienced in administration, and who shall act as executive secretary to, and administrative officer for the authority. He or she shall also be empowered to employ such technical and other personnel as approved by the authority. The general manager shall be paid such salary and allowed such expenses as shall be determined by the authority. The general manager shall hold office at the pleasure of the authority, and shall not be removed until after notice is given him or her, and an opportunity for a hearing before the authority as to the reason for his or her removal.

Sec. 4096. RCW 36.57.090 and 1974 ex.s. c 167 s 9 are each amended to read as follows:

A county transportation authority may acquire any existing transportation system by conveyance, sale, or lease. In any purchase from a county or city, the authority shall receive credit from the county or city for any federal assistance and state matching assistance used by the county or city in acquiring any portion of such system. The authority shall assume and observe all existing labor contracts relating to such system and, to the extent necessary for operation of facilities, all of the employees of such acquired transportation system whose

duties are necessary to operate efficiently the facilities acquired shall be appointed to comparable positions to those which they held at the time of such transfer, and no employee or retired or pensioned employee of such systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he or she enjoyed as an employee of such system prior to such acquisition. The authority shall engage in collective bargaining with the duly appointed representatives of any employee labor organization having existing contracts with the acquired transportation system and may enter into labor contracts with such employee labor organization.

Sec. 4097. RCW 36.57A.050 and 2007 c 469 s 14 are each amended to read as follows:

Within sixty days of the establishment of the boundaries of the public transportation benefit area the members of the county legislative authority and the elected representative of each city within the area shall provide for the selection of the governing body of such area, the public transportation benefit area authority, which shall consist of elected officials selected by and serving at the pleasure of the governing bodies of component cities within the area and the county legislative authority of each county within the area. If at the time a public transportation benefit area authority assumes the public transportation functions previously provided under the Interlocal Cooperation Act (chapter 39.34 RCW) there are citizen positions on the governing board of the transit system, those positions may be retained as positions on the governing board of the public transportation benefit area authority.

Within such sixty-day period, any city may by resolution of its legislative body withdraw from participation in the public transportation benefit area. The county legislative authority and each city remaining in the public transportation benefit area may disapprove and prevent the establishment of any governing body of a public transportation benefit area if the composition thereof does not meet its approval.

In no case shall the governing body of a single county public transportation benefit area be greater than nine members and in the case of a multicounty area, fifteen members. Those cities within the transportation benefit area and excluded from direct membership on the authority are hereby authorized to designate a member of the authority who shall be entitled to represent the interests of such city which is excluded from direct membership on the authority. The legislative body of such city shall notify the authority as to the determination of its authorized representative on the authority.

Each member of the authority is eligible to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060 and to receive compensation, as set by the authority, in an amount not to exceed forty-four dollars for each day during which the member attends official meetings of the authority or performs prescribed duties approved by the ((~~chairman~~)) chair of the authority. Except that the authority may, by resolution, increase the payment of per diem compensation to each member from forty-four dollars up to ninety dollars per day or portion of a day for actual attendance at board meetings or for performance of other official services or duties on behalf of the authority. In no event may a member be compensated in any year for more than seventy-five days, except the ((~~chairman~~)) chair who may be paid compensation for not more than one hundred days: PROVIDED, That compensation shall not be paid to an

elected official or employee of federal, state, or local government who is receiving regular full-time compensation from such government for attending meetings and performing prescribed duties of the authority.

The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

A person holding office as commissioner for two or more special purpose districts shall receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her districts. However, such commissioner may receive additional per diem compensation if approved by resolution of all boards of the affected commissions.

Sec. 4098. RCW 36.57A.120 and 1975 1st ex.s. c 270 s 22 are each amended to read as follows:

If a public transportation benefit area shall acquire any existing transportation system, it shall assume and observe all existing labor contracts relating to such system and, to the extent necessary for operation of facilities, all of the employees of such acquired transportation system whose duties are necessary to operate efficiently the facilities acquired shall be appointed to comparable positions to those which they held at the time of such transfer, and no employee or retired or pensioned employee of such systems shall be placed in any worse position with respect to pension seniority, wages, sick leave, vacation or other benefits that he or she enjoyed as an employee of such system prior to such acquisition. The public transportation benefit area authority shall engage in collective bargaining with the duly appointed representatives of any employee labor organization having existing contracts with the acquired transportation system and may enter into labor contracts with such employee labor organization.

Sec. 4099. RCW 36.63.255 and 1981 c 136 s 60 are each amended to read as follows:

Any person imprisoned in a county jail pending the appeal of his or her conviction of a felony and who has not obtained bail bond pending his or her appeal shall be transferred after thirty days but within forty days from the date judgment was entered against him or her to a state institution for felons designated by the secretary of corrections: PROVIDED, That when good cause

is shown, a superior court judge may order the prisoner detained in the county jail beyond said forty days for an additional period not to exceed ten days.

Sec. 4100. RCW 36.64.090 and 1965 ex.s. c 84 s 2 are each amended to read as follows:

The governing bodies of the counties and cities so associated in a conference shall adopt articles of association and bylaws, select a ~~((chairman))~~ chair and such other officers as they may determine, and may employ and discharge such agents and employees as the officers deem convenient to carry out the purposes of the conference.

Sec. 4101. RCW 36.67.530 and 1983 c 167 s 80 are each amended to read as follows:

(1) When revenue bonds are issued for authorized purposes, said bonds shall be either registered as to principal only or as to principal and interest as provided in RCW 39.46.030, or shall be bearer bonds; shall be in such denominations, shall be numbered, shall bear such date, shall be payable at such time or times up to a maximum period of not to exceed thirty years and payable at the office of the county treasurer, and such other places as determined by the county legislative authority of the county; shall bear interest payable and evidenced to maturity on bonds not registered as to interest by coupons attached to said bonds bearing a coupon interest rate or rates as authorized by the county legislative authority; shall be executed by the ~~((chairman))~~ chair of the county legislative authority, and attested by the clerk of the legislative authority, and the seal of such legislative authority shall be affixed to each bond, but not to any coupon; and may have facsimile signatures of the ~~((chairman))~~ chair and the clerk imprinted on each bond and any interest coupons in lieu of original signatures and the facsimile seal imprinted on each bond.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 4102. RCW 36.68.060 and 1963 c 4 s 36.68.060 are each amended to read as follows:

The county park and recreation board:

(1) Shall elect its officers, including a ~~((chairman))~~ chair, vice ~~((chairman))~~ chair and secretary, and such other officers as it may determine it requires.

(2) Shall hold regular public meetings at least monthly.

(3) Shall adopt rules for transaction of business and shall keep a written record of its meetings, resolutions, transactions, findings and determinations, which record shall be a public record.

(4) Shall initiate, direct, and administer county recreational activities, and shall select and employ a county park and recreation superintendent and such other properly qualified employees as it may deem desirable.

(5) Shall improve, operate, and maintain parks, playgrounds, and other recreational facilities, together with all structures and equipment useful in connection therewith, and may recommend to the board of county commissioners acquisition of real property.

(6) Shall promulgate and enforce reasonable rules and regulations deemed necessary in the operation of parks, playgrounds, and other recreational facilities, and may recommend to the board of county commissioners adoption

of any rules or regulations requiring enforcement by legal process which relate to parks, playgrounds, or other recreational facilities.

(7) Shall each year submit to the board of county commissioners for approval a proposed budget for the following year in the manner provided by law for the preparation and submission of budgets by elective or appointive county officials.

(8) May, subject to the approval of the board of county commissioners, enter into contracts with any other municipal corporation, governmental or private agency for the conduct of park and recreational programs.

Sec. 4103. RCW 36.69.120 and 1963 c 4 s 36.69.120 are each amended to read as follows:

The park and recreation district board of commissioners shall:

(1) Elect its officers including a (~~(chairman)~~) chair, vice (~~(chairman)~~) chair, secretary, and such other officers as it may determine it requires;

(2) Hold regular public meetings at least monthly;

(3) Adopt policies governing transaction of board business, keeping of records, resolutions, transactions, findings and determinations, which shall be of public record;

(4) Initiate, direct and administer district park and recreation activities, and select and employ such properly qualified employees as it may deem necessary.

Sec. 4104. RCW 36.69.230 and 1963 c 4 s 36.69.230 are each amended to read as follows:

If such local improvement district is initiated by petition, such petition shall set forth the nature and territorial extent of the proposed improvement requested to be ordered and the fact that the signers thereof are the owners (according to the records of the county auditor) of at least fifty-one percent of the area of land within the limits of the local improvement district to be created. Upon the filing of such petition the board of park and recreation commissioners shall determine whether it is sufficient, and the board's determination thereof shall be conclusive upon all persons. No person shall withdraw his or her name from the petition after it has been filed with the board. If the board shall find the petition to be sufficient, it shall proceed to adopt a resolution declaring its intention to order the improvement petitioned for, setting forth the nature and territorial extent of said improvement, designating the number of the proposed local district and describing the boundaries thereof, stating the estimated cost and expense of the improvement and the proportionate amount thereof which will be borne by the property within the proposed local district, and fixing a date, time and place for a public hearing on the formation of the proposed local district.

The resolution of intention, whether adopted on the initiative of the board or pursuant to a petition of the property owners, shall be published in at least two consecutive issues of a newspaper of general circulation in the proposed local district, the date of the first publication to be at least fifteen days prior to the date fixed by such resolution for hearing before the board.

Sec. 4105. RCW 36.69.370 and 1983 c 167 s 86 are each amended to read as follows:

(1) When revenue bonds are issued for authorized purposes, said bonds shall be either registered as to principal only or principal and interest as provided in RCW 39.46.030 or shall be bearer bonds; shall be in such denominations, shall

be numbered, shall bear such date, shall be payable at such time or times up to a maximum period of not to exceed thirty years and payable as determined by the park and recreation commissioners of the district; shall bear interest payable semiannually; shall be executed by the ((~~chairman~~)) chair of the board of park and recreation commissioners, and attested by the secretary of the board, and the seal of such board shall be affixed to each bond, but not to any coupon; and may have facsimile signatures of the ((~~chairman~~)) chair and the secretary imprinted on any interest coupons in lieu of original signatures.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 4106. RCW 36.70.020 and 1963 c 4 s 36.70.020 are each amended to read as follows:

The following words or terms as used in this chapter shall have the following meaning unless a different meaning is clearly indicated by the context:

(1) "Approval by motion" is a means by which a board, through other than by ordinance, approves and records recognition of a comprehensive plan or amendments thereto.

(2) "Board" means the board of county commissioners.

(3) "Certification" means the affixing on any map or by adding to any document comprising all or any portion of a comprehensive plan a record of the dates of action thereon by the commission and by the board, together with the signatures of the officer or officers authorized by ordinance to so sign.

(4) "Commission" means a county or regional planning commission.

(5) "Commissioners" means members of a county or regional planning commission.

(6) "Comprehensive plan" means the policies and proposals approved and recommended by the planning agency or initiated by the board and approved by motion by the board (a) as a beginning step in planning for the physical development of the county; (b) as the means for coordinating county programs and services; (c) as a source of reference to aid in developing, correlating, and coordinating official regulations and controls; and (d) as a means for promoting the general welfare. Such plan shall consist of the required elements set forth in RCW 36.70.330 and may also include the optional elements set forth in RCW 36.70.350 which shall serve as a policy guide for the subsequent public and private development and official controls so as to present all proposed developments in a balanced and orderly relationship to existing physical features and governmental functions.

(7) "Conditional use" means a use listed among those classified in any given zone but permitted to locate only after review by the board of adjustment, or zoning adjustor if there be such, and the granting of a conditional use permit imposing such performance standards as will make the use compatible with other permitted uses in the same vicinity and zone and assure against imposing excessive demands upon public utilities, provided the county ordinances specify the standards and criteria that shall be applied.

(8) "Department" means a planning department organized and functioning as any other department in any county.

(9) "Element" means one of the various categories of subjects, each of which constitutes a component part of the comprehensive plan.

(10) "Ex officio member" means a member of the commission who serves by virtue of his or her official position as head of a department specified in the ordinance creating the commission.

(11) "Official controls" means legislatively defined and enacted policies, standards, precise detailed maps and other criteria, all of which control the physical development of a county or any part thereof or any detail thereof, and are the means of translating into regulations and ordinances all or any part of the general objectives of the comprehensive plan. Such official controls may include, but are not limited to, ordinances establishing zoning, subdivision control, platting, and adoption of detailed maps.

(12) "Ordinance" means a legislative enactment by a board; in this chapter the word, "ordinance", is synonymous with the term "resolution", as representing a legislative enactment by a board of county commissioners.

(13) "Planning agency" means (a) a planning commission, together with its staff members, employees and consultants, or (b) a department organized and functioning as any other department in any county government together with its planning commission.

(14) "Variance." A variance is the means by which an adjustment is made in the application of the specific regulations of a zoning ordinance to a particular piece of property, which property, because of special circumstances applicable to it, is deprived of privileges commonly enjoyed by other properties in the same vicinity and zone and which adjustment remedies disparity in privileges.

Sec. 4107. RCW 36.70.080 and 1963 c 4 s 36.70.080 are each amended to read as follows:

The members of a commission shall be appointed by the ((~~chairman~~)) chair of the board with the approval of a majority of the board: PROVIDED, That each member of the board shall submit to the ((~~chairman~~)) chair a list of nominees residing in his or her commissioner district, and the ((~~chairman~~)) chair shall make his or her appointments from such lists so that as nearly as mathematically possible, each commissioner district shall be equally represented on the commission.

Sec. 4108. RCW 36.70.090 and 1963 c 4 s 36.70.090 are each amended to read as follows:

When a commission is created after June 10, 1959, the first terms of the members of the commission consisting of five, seven, and nine members, respectively, other than ex officio members, shall be as follows:

(1) For a five-member commission—one, shall be appointed for one year; one, for two years; one, for three years; and two, for four years.

(2) For a seven-member commission—one, shall be appointed for one year; two, for two years; two, for three years; and two, for four years.

(3) For a nine-member commission—two, shall be appointed for one year; two, for two years; two, for three years; and three, for four years.

Thereafter, the successors to the first member shall be appointed for four year terms: PROVIDED, That where the commission includes one ex officio member, the number of appointive members first appointed for a four year term shall be reduced by one; if there are to be two ex officio members, the number of appointive members for the three year and four year terms shall each be reduced by one; if there are to be three ex officio members, the number of appointive

members for the four year term, the three year term, and the two year term shall each be reduced by one. The term of an ex officio member shall correspond to his or her official tenure: PROVIDED FURTHER, That where a commission, on the effective date of this chapter, is operating with members appointed for longer than four year terms, such members shall serve out the full term for which they were appointed, but their successors, if any, shall be appointed for four year terms.

Sec. 4109. RCW 36.70.110 and 1963 c 4 s 36.70.110 are each amended to read as follows:

After public hearing, any appointee member of a commission may be removed by the ((~~chairman~~)) chair of the board, with the approval of the board, for inefficiency, neglect of duty, or malfeasance in office.

Sec. 4110. RCW 36.70.120 and 1963 c 4 s 36.70.120 are each amended to read as follows:

Each commission shall elect its ((~~chairman~~)) chair and vice ((~~chairman~~)) chair from among the appointed members. The commission shall appoint a secretary who need not be a member of the commission.

Sec. 4111. RCW 36.70.150 and 1963 c 4 s 36.70.150 are each amended to read as follows:

Two or more county planning agencies in any combination may hold joint meetings and by approval of their respective boards may have the same ((~~chairman~~)) chair.

Sec. 4112. RCW 36.70.160 and 1963 c 4 s 36.70.160 are each amended to read as follows:

If a director of planning is provided for, he or she shall be appointed:

(1) By the commission when a commission is created under RCW 36.70.030;

(2) If a planning department is established as provided in RCW 36.70.040, then he or she shall be appointed by the board.

Sec. 4113. RCW 36.70.170 and 1963 c 4 s 36.70.170 are each amended to read as follows:

The director of planning shall be authorized to appoint such employees as are necessary to perform the duties assigned to him or her within the budget allowed.

Sec. 4114. RCW 36.70.180 and 1963 c 4 s 36.70.180 are each amended to read as follows:

The boards of two or more counties or the legislative bodies of other political subdivisions or special districts may jointly engage a single director of planning and may authorize him or her to employ such other personnel as may be necessary to carry out the joint planning program.

Sec. 4115. RCW 36.70.250 and 1963 c 4 s 36.70.250 are each amended to read as follows:

Any member of the board of adjustment may be removed by the ((~~chairman~~)) chair of the board with the approval of the board for inefficiency, neglect of duty or malfeasance in office.

Sec. 4116. RCW 36.70.260 and 1963 c 4 s 36.70.260 are each amended to read as follows:

The board of adjustment shall elect a ((~~chairman~~)) chair and vice ((~~chairman~~)) chair from among its members. The board of adjustment shall appoint a secretary who need not be a member of the board.

Sec. 4117. RCW 36.70.400 and 1963 c 4 s 36.70.400 are each amended to read as follows:

The approval of the comprehensive plan, or of any amendment, extension or addition thereto, shall be by the affirmative vote of not less than a majority of the total members of the commission. Such approval shall be by a recorded motion which shall incorporate the findings of fact of the commission and the reasons for its action and the motion shall refer expressly to the maps, descriptive, and other matters intended by the commission to constitute the plan or amendment, addition or extension thereto. The indication of approval by the commission shall be recorded on the map and descriptive matter by the signatures of the ((~~chairman~~)) chair and the secretary of the commission and of such others as the commission in its rules may designate.

Sec. 4118. RCW 36.70.600 and 1963 c 4 s 36.70.600 are each amended to read as follows:

The recommendation to the board of any official control or amendments thereto by the planning agency shall be by the affirmative vote of not less than a majority of the total members of the commission. Such approval shall be by a recorded motion which shall incorporate the findings of fact of the commission and the reasons for its action and the motion shall refer expressly to the maps, descriptive and other matters intended by the commission to constitute the plan, or amendment, addition or extension thereto. The indication of approval by the commission shall be recorded on the map and descriptive matter by the signatures of the ((~~chairman~~)) chair and the secretary of the commission and of such others as the commission in its rules may designate.

Sec. 4119. RCW 36.70.850 and 1963 c 4 s 36.70.850 are each amended to read as follows:

Upon the filing of an appeal from an administrative determination, or from the action of the zoning adjustor, the board of adjustment shall set the time and place at which the matter will be considered. At least a ten day notice of such time and place together with one copy of the written appeal, shall be given to the official whose decision is being appealed. At least ten days notice of the time and place shall also be given to the adverse parties of record in the case. The officer from whom the appeal is being taken shall forthwith transmit to the board of adjustment all of the records pertaining to the decision being appealed from, together with such additional written report as he or she deems pertinent.

Sec. 4120. RCW 36.70.880 and 1963 c 4 s 36.70.880 are each amended to read as follows:

The action by the zoning adjustor on all matters coming before him or her shall be final and conclusive unless within ten days after the zoning adjustor has made his or her order, requirement, decision or determination, an appeal in writing is filed with the board of adjustment. Such an appeal may be taken by the original applicant, or by opponents of record in the case.

Sec. 4121. RCW 36.71.020 and 1985 c 91 s 3 are each amended to read as follows:

Every peddler, before commencing business in any county of the state, shall apply in writing and under oath to the appropriate county official of the county in which he or she proposes to operate for a county license. The application must state the names and residences of the owners or parties in whose interest the business is to be conducted. The applicant at the same time shall file a true statement under oath of the quantity and value of the stock of goods, wares, and merchandise that is in the county for sale or to be kept or exposed for sale in the county, make a special deposit of five hundred dollars, and pay the county license fee as may be fixed under the authority of RCW 36.32.120(3).

The appropriate county official shall thereupon issue to the applicant a peddler's license, authorizing him or her to do business in the county for the term of one year from the date thereof. Every county license shall contain a copy of the application therefor, shall not be transferable, and shall not authorize more than one person to sell goods as a peddler, either by agent or clerk, or in any other way than his or her own proper person.

Sec. 4122. RCW 36.71.040 and 1985 c 91 s 5 are each amended to read as follows:

Upon the expiration and return of a county license, the appropriate county official shall cancel it, indorse thereon the cancellation, and place it on file. After holding the special deposit of the licensee for a period of ninety days from the date of cancellation, he or she shall return the deposit or such portion as may remain in his or her hands after satisfying the claims made against it.

Sec. 4123. RCW 36.71.050 and 1985 c 91 s 6 are each amended to read as follows:

Each deposit made with the county shall be subject to all taxes legally chargeable thereto, to attachment and execution on behalf of the creditors of the licensee whose claims arise in connection with the business done under his or her license, and the county may be held to answer as trustee in any civil action in contract or tort brought against any licensee, and shall pay over, under order of the court or upon execution, such amount of money as the licensee may be chargeable with upon the final determination of the case. Such deposit shall also be subject to the payment of any and all fines and penalties incurred by the licensee through violations of the provisions of RCW 36.71.010, 36.71.020, 36.71.030, 36.71.040 and 36.71.060, which shall be a lien upon the deposit and shall be collected in the manner provided by law.

Sec. 4124. RCW 36.71.070 and 1984 c 189 s 6 are each amended to read as follows:

(1) If any person sells any goods, wares, or merchandise, at auction or public outcry, or barter goods, wares or merchandise from traveling boats, wagons, carts or vehicles of any kind, or from any pack, basket or other package carried on foot without first having obtained a license therefor from the board of county commissioners of the county in which such goods are sold or bartered, he or she shall be guilty of a misdemeanor, and upon conviction shall be fined not less than five nor more than fifty dollars, and shall stand committed to the county jail of the county in which the conviction is had until such fine and cost of prosecution are paid, or discharged by due course of law: PROVIDED, That this

section shall not be construed as to apply to any seagoing craft or to administrators or executors selling property of deceased persons, or to private individuals selling their household property, or furniture, or farming tools, implements, or livestock, or any produce grown or raised by them, either at public auction or private sale.

(2) Notwithstanding subsection (1) of this section, counties shall not license auctioneers that are licensed by the state under chapter 18.11 RCW.

Sec. 4125. RCW 36.76.120 and 1984 c 186 s 33 are each amended to read as follows:

The county legislative authority must ascertain and levy annually a tax sufficient to pay the interest on all such bonds whenever it becomes due and to meet the annual maturities of principal. The county treasurer must pay out of any money accumulated from the taxes levied to pay the interest as aforesaid, the interest upon all such bonds when it becomes due as provided on the bond or, if coupons are attached to a bond, upon presentation at the place of payment of the proper coupon. Any interest payments or coupons so paid must be reported to the county legislative authority at its first meeting thereafter. Whenever interest is payable at any place other than the city in which the county treasurer keeps his or her office, the county treasurer shall seasonably remit to the state fiscal agent the amount of money required for the payment of any interest which is about to fall due. When any such bonds or any interest is paid, the county treasurer shall suitably and indelibly cancel them.

Sec. 4126. RCW 36.77.070 and 1983 c 3 s 81 are each amended to read as follows:

If the board determines that any construction should be performed by day labor, and the estimated cost of the work exceeds twenty-five hundred dollars, it shall cause to be published in one issue of a newspaper of general circulation in the county, a brief description of the work to be done and the county road engineer's estimate of the cost thereof. At the completion of such construction, the board shall cause to be published in one issue of such a newspaper a similar brief description of the work together with an accurate statement of the true and complete cost of performing such construction by day labor.

Failure to make the required publication shall subject each county commissioner to a fine of one hundred dollars for which he or she shall be liable individually and upon his or her official bond and the prosecuting attorney shall prosecute for violation of the provisions of this section and RCW 36.77.065.

Sec. 4127. RCW 36.78.090 and 1984 c 7 s 33 are each amended to read as follows:

(1) Before May 1st of each year the board shall transmit to the state treasurer certificates of good practice on behalf of the counties which during the preceding calendar year:

(a) Have submitted to the state department of transportation or to the board all reports required by law or regulation of the board; and

(b) Have reasonably complied with provisions of law relating to county road administration and with the standards of good practice as formulated and adopted by the board.

(2) The board shall not transmit to the state treasurer a certificate of good practice on behalf of any county failing to meet the requirements of subsection

(1) of this section, but the board shall in such case and before May 1st, notify the county and the state treasurer of its reasons for withholding the certificate.

(3) The state treasurer, upon receiving a notice that a certificate of good practice will not be issued on behalf of a county, or that a previously issued certificate of good practice has been revoked, shall, effective the first day of the month after that in which notice is received, withhold from such county its share of motor vehicle fuel taxes distributable pursuant to RCW 46.68.120 until the board thereafter issues on behalf of such county a certificate of good practice or a conditional certificate. After withholding or revoking a certificate of good practice with respect to any county, the board may thereafter at any time issue such a certificate or a conditional certificate when the board is satisfied that the county has complied or is diligently attempting to comply with the requirements of subsection (1) of this section.

(4) The board may, upon notice and a hearing, revoke a previously issued certificate of good practice or substitute a conditional certificate therefor when, after issuance of a certificate of good practice, any county fails to meet the requirements of subsection (1) (a) and (b) of this section, but the board shall in such case notify the county and the state treasurer of its reasons for the revocation or substitution.

(5) Motor vehicle fuel taxes withheld from any county pursuant to this section shall not be distributed to any other county, but shall be retained in the motor vehicle fund to the credit of the county originally entitled thereto. Whenever the state treasurer receives from the board a certificate of good practice issued on behalf of such county he or she shall distribute to such county all of the funds theretofore retained in the motor vehicle fund to the credit of such county.

Sec. 4128. RCW 36.78.110 and 1990 c 266 s 3 are each amended to read as follows:

All expenses incurred by the board including salaries of employees shall be paid upon voucher forms provided by the office of financial management or pursuant to a regular payroll signed by the (~~(chairman)~~) chair and the executive director of the board. All expenses of the board shall be paid out of that portion of the motor vehicle fund allocated to the counties and withheld for use by the department of transportation and the county road administration board under the provisions of RCW 46.68.120(1), as now or hereafter amended.

Sec. 4129. RCW 36.79.160 and 1983 1st ex.s. c 49 s 17 are each amended to read as follows:

(1) Upon completion of a preliminary proposal, the county submitting the proposal shall submit to the board its voucher for payment of the trust account share of the cost. Upon the completion of an approved rural arterial construction project, the county constructing the project shall submit to the board its voucher for the payment of the trust account share of the cost. The (~~(chairman)~~) chair of the board or his or her designated agent shall approve such voucher when proper to do so, for payment from the rural arterial trust account to the county submitting the voucher.

(2) The board may adopt rules providing for the approval of payments of funds in the rural arterial trust account to a county for costs of preliminary proposal, and costs of construction of an approved project from time to time as

work progresses. These payments shall at no time exceed the rural arterial trust account share of the costs of construction incurred to the date of the voucher covering the payment.

Sec. 4130. RCW 36.79.170 and 1983 1st ex.s. c 49 s 18 are each amended to read as follows:

The legislative body of any county feeling aggrieved by any action or decision of the board with respect to this chapter may appeal to the secretary of transportation by filing a notice of appeal within ninety days after the action or decision of the board. The notice shall specify the action or decision of which complaint is made. The secretary shall fix a time for a hearing on the appeal at the earliest convenient time and shall notify the county auditor and the ((chairman)) chair of the board by certified mail at least twenty days before the date of the hearing. At the hearing the secretary shall receive evidence from the county filing the appeal and from the board. After the hearing the secretary shall make such order as in the secretary's judgment is just and proper.

**Sec. 4131. RCW 36.80.015 and 1963 c 4 s 36.80.015 are each amended to read as follows:*

The county road engineer shall keep his or her office at the county seat in such room or rooms as are provided by the county, and he or she shall be furnished with all necessary cases and other suitable articles, and also with all blank books and blanks necessary to the proper discharge of his or her official duties. The records and books in the county road engineer's office shall be public records, and shall at all proper times be open to the inspection and examination of the public.

*Sec. 4131 was vetoed. See message at end of chapter.

Sec. 4132. RCW 36.80.020 and 1969 ex.s. c 182 s 7 are each amended to read as follows:

He or she shall be a registered and licensed professional civil engineer under the laws of this state, duly qualified and experienced in highway and road engineering and construction. He or she shall serve at the pleasure of the board.

Before entering upon his or her employment, every county road engineer shall give an official bond to the county in such amount as the board shall determine, conditioned upon the fact that he or she will faithfully perform all the duties of his or her employment and account for all property of the county entrusted to his or her care.

Sec. 4133. RCW 36.80.030 and 1969 ex.s. c 182 s 8 are each amended to read as follows:

The county road engineer shall examine and certify to the board all estimates and all bills for labor, materials, provisions, and supplies with respect to county roads, prepare standards of construction of roads and bridges, and perform such other duties as may be required by order of the board.

He or she shall have supervision, under the direction of the board, of establishing, laying out, constructing, altering, improving, repairing, ((and)) and maintaining all county roads of the county.

Sec. 4134. RCW 36.80.050 and 1963 c 4 s 36.80.050 are each amended to read as follows:

He or she shall keep a highway plat book in his or her office in which he or she shall have accurately platted all public roads and highways established by the board.

Sec. 4135. RCW 36.80.060 and 1969 ex.s. c 182 s 10 are each amended to read as follows:

The county road engineer shall maintain in his or her office complete and accurate records of all expenditures for (1) administration, (2) bond and warrant retirement, (3) maintenance, (4) construction, (5) purchase and operation of road equipment, and (6) purchase or manufacture of materials and supplies, and shall maintain a true and complete inventory of all road equipment. The state auditor, with the advice and assistance of the county road administration board, shall prescribe forms and types of records to be maintained by the county road engineers.

Sec. 4136. RCW 36.81.050 and 1963 c 4 s 36.81.050 are each amended to read as follows:

Whenever directed by the board to report upon the establishment of a county road the engineer shall make an examination of the road and if necessary a survey thereof. After examination, if the engineer deems the road to be impracticable, he or she shall so report to the board without making any survey, or he or she may examine or examine and survey any other practicable route which would serve such purpose. Whenever he or she considers any road as proposed or modified as practicable, he or she shall report thereon in writing to the board giving his or her opinion: (1) As to the necessity of the road; (2) as to the proper terminal points, general course and length thereof; (3) as to the proper width of right-of-way therefor; (4) as to the estimated cost of construction, including all necessary bridges, culverts, clearing, grubbing, drainage, and grading; (5) and such other facts as he or she may deem of importance to be considered by the board.

Sec. 4137. RCW 36.81.060 and 1963 c 4 s 36.81.060 are each amended to read as follows:

The county road engineer shall file with his or her report a correctly prepared map of the road as surveyed, which map must show the tracts of land over which the road passes, with the names, if known, of the several owners thereof, and he or she shall file therewith his or her field notes and profiles of such survey.

Sec. 4138. RCW 36.82.100 and 1963 c 4 s 36.82.100 are each amended to read as follows:

The boards of the several counties may purchase and operate, out of the county road fund, rock crushing, gravel, or other road building material extraction equipment.

Any crushed rock, gravel, or other road building material extracted and not directly used or needed by the county in the construction, alteration, repair, improvement, or maintenance of its roads may be sold at actual cost of production by the board to the state or any other county, city, town, or other political subdivision to be used in the construction, alteration, repair, improvement, or maintenance of any state, county, city, town or other proper

highway, road or street purpose: PROVIDED, That in counties of less than twelve thousand five hundred population as determined by the 1950 federal census, the boards of commissioners, during such times as the crushing, loading or mixing equipment is actually in operation, or from stockpiles, may sell at actual cost of production such surplus crushed rock, gravel, or other road building material to any other person for private use where the place of contemplated use of such crushed rock, gravel or other road building material is more than fifteen miles distant from the nearest private source of such materials within the county, distance being computed by the closest traveled route: AND PROVIDED FURTHER, That the purchaser presents, at or before the time of delivery to him or her, a treasurer's receipt for payment for such surplus crushed rock, gravel, or any other road building material.

Sec. 4139. RCW 36.87.040 and 1963 c 4 s 36.87.040 are each amended to read as follows:

When directed by the board the county road engineer shall examine any county road or portion thereof proposed to be vacated and abandoned and report his or her opinion as to whether the county road should be vacated and abandoned, whether the same is in use or has been in use, the condition of the road, whether it will be advisable to preserve it for the county road system in the future, whether the public will be benefited by the vacation and abandonment, and all other facts, matters, and things which will be of importance to the board, and also file his or her cost bill.

Sec. 4140. RCW 36.88.040 and 1963 c 4 s 36.88.040 are each amended to read as follows:

The election provided herein for cases where the improvement is initiated by resolution shall be governed by the following rules: (1) All ballots must be signed by the owner or reputed owner of property within the proposed district according to the records of the county auditor; (2) each ballot must be returned to the clerk of the board not later than one week after the public hearing; (3) each property owner shall have one vote for each full dollar of estimated assessment against his or her property as determined by the preliminary estimates and assessment roll; (4) the valid ballots shall be tabulated and a majority of the votes cast shall determine whether the formation of the district shall be approved or rejected.

Sec. 4141. RCW 36.88.130 and 1963 c 4 s 36.88.130 are each amended to read as follows:

The county treasurer is hereby designated as the treasurer of all county road improvement districts created hereunder, and shall collect all road improvement district assessments, and the duties and responsibilities herein imposed upon him or her shall be among the duties and responsibilities of his or her office for which his or her bond is given as county treasurer.

Sec. 4142. RCW 36.88.150 and 1963 c 4 s 36.88.150 are each amended to read as follows:

Whenever before the sale of any property the amount of any assessment thereon, with interest, penalty, costs and charges accrued thereon, shall be paid to the treasurer, he or she shall thereon mark the same paid with the date of payment thereof on the assessment roll.

Sec. 4143. RCW 36.88.200 and 1983 c 167 s 94 are each amended to read as follows:

(1) Such bonds shall be numbered from one upwards consecutively, shall be in such denominations as may be provided by the county legislative authority in the resolution authorizing their issuance, shall mature on or before a date not to exceed twenty-two years from and after their date, shall bear interest at such rate or rates as authorized by the legislative authority payable annually or semiannually as may be provided by the legislative authority, shall be signed by the ~~((chairman))~~ chair of the legislative authority and attested by the county auditor, shall have the seal of the county affixed thereto, and shall be payable at the office of the county treasurer or elsewhere as may be designated by the legislative authority. Such bonds may be in any form, including bearer bonds or registered bonds as provided in RCW 39.46.030. In lieu of any signatures required in this section, the bonds and any coupons may bear the printed or engraved facsimile signatures of said officials.

Such bonds shall refer to the improvement for which they are issued and to the resolution creating the road improvement district therefor.

(2) Notwithstanding subsection (1) of this section, such bonds may be issued and sold in accordance with chapter 39.46 RCW.

Sec. 4144. RCW 36.88.250 and 1963 c 4 s 36.88.250 are each amended to read as follows:

If the board fails to cause any bonds to be paid when due or to promptly collect any assessments when due, the owner of any of the bonds may proceed in his or her own name to collect the assessments and foreclose the lien thereof in any court of competent jurisdiction and shall recover in addition to the amount of the bonds outstanding in his or her name, interest thereon at five percent per annum, together with the costs of suit, including a reasonable attorney's fee to be fixed by the court. Any number of owners of bonds for any single project may join as plaintiffs and any number of the owners of property upon which the assessments are liens may be joined as defendants in the same suit.

Sec. 4145. RCW 36.88.270 and 1963 c 4 s 36.88.270 are each amended to read as follows:

The owner of any lot, tract, or parcel of land, or other property charged with any such assessments may redeem the same from all or any portion of the liability for the cost and expense of such improvement by paying the entire assessment or any portion thereof charged against such lot, tract, or parcel of land without interest within thirty days after notice to him or her of such assessment, which notice shall be given as follows: The county treasurer shall, as soon as the assessment roll has been placed in his or her hands for collection, publish a notice for two consecutive daily or weekly issues in the official newspaper of the county in which the district is located, which notice shall state that the assessment roll is in his or her hands for collection and that any assessment thereon or any portion of such assessment may be paid at any time within thirty days from the date of the first publication of said notice without penalty interest or costs.

Sec. 4146. RCW 36.88.300 and 1963 c 4 s 36.88.300 are each amended to read as follows:

Whenever any district is organized hereunder, there shall be included in the cost and expense thereof: (1) The cost of all of the construction or improvement authorized in the district, including that portion of the construction or improvement within the limits of any street or road intersection, space or spaces; (2) the estimated costs and expenses of all engineering and surveying necessary to be done by the county engineer or under his or her direction or by such other engineer as may be employed by the county commissioners; (3) the cost of all advertising, mailing, and publishing of all notices; (4) the cost of legal services and any other expenses incurred by the county for the district or in the formation thereof, or by the district in connection with such construction or improvement and in the financing thereof, including the issuance of any bonds.

Sec. 4147. RCW 36.88.330 and 1980 c 100 s 6 are each amended to read as follows:

The board may provide by resolution for the issuance of warrants in payment of the costs and expenses of any project, payable out of the county road improvement fund. The warrants shall be redeemed either in cash or by bonds for the same project authorized by the resolution.

All warrants issued against any such improvement fund shall be claims and liens against said fund prior and superior to any right, lien or claim of any surety upon the bond given to the county by or for the contract to secure the performance of his or her contract or to secure the payment of persons who have performed work thereon, furnished materials therefor, or furnished provisions and supplies for the carrying on of the work.

The county treasurer may accept warrants against any county road improvement fund upon such conditions as the board may prescribe in payment of: (1) Assessments levied to supply that fund in due order of priority; (2) judgments rendered against property owners who have become delinquent in the payment of assessments to that fund; and (3) certificates of purchase in cases where property of delinquents has been sold under execution or at tax sale for failure to pay assessments levied to supply that fund.

Sec. 4148. RCW 36.88.450 and 1967 c 194 s 5 are each amended to read as follows:

When service from the underground electric and communication facilities is available in all or part of a conversion area, the county shall mail a notice to the owners of all structures or improvements served from the existing overhead facilities in the area, which notice shall state that:

- (1) Service from the underground facilities is available;
- (2) All electric and communication service lines from the existing overhead facilities within the area to any structure or improvement must be disconnected and removed within one hundred twenty days after the date of the mailing of the notice;
- (3) Should such owner fail to convert such service lines from overhead to underground within one hundred twenty days after the date of the mailing of the notice, the county will order the electric and communication utilities to disconnect and remove the service lines;

(4) Should the owner object to the disconnection and removal of the service lines he or she may file his or her written objections thereto with the secretary of the board of county commissioners within one hundred twenty days after the date of the mailing of the notice and failure to so object within such time will constitute a waiver of his or her right thereafter to object to such disconnection and removal.

If the owner of any structure or improvement served from the existing overhead electric and communication facilities within a conversion area shall fail to convert to underground the service lines from such overhead facilities to such structure or improvement within one hundred twenty days after the mailing to him or her of the notice, the county shall order the electric and communication utilities to disconnect and remove all such service lines: PROVIDED, That if the owner has filed his or her written objections to such disconnection and removal with the secretary of the board of county commissioners within one hundred twenty days after the mailing of said notice then the county shall not order such disconnection and removal until after the hearing on such objections.

Upon the timely filing by the owner of objections to the disconnection and removal of the service lines, the board of county commissioners shall conduct a hearing to determine whether the removal of all or any part of the service lines is in the public benefit. The hearing shall be held at such time as the board of county commissioners may establish for hearings on such objections and shall be held in accordance with the regularly established procedure set by the board. The determination reached by the board of county commissioners shall be final in the absence of an abuse of discretion.

Sec. 4149. RCW 36.90.030 and 1998 c 107 s 2 are each amended to read as follows:

The board of county commissioners in the county of Lewis as administrators of all property relating to the southwest Washington fair may elect to appoint either (1) a designee, whose operation and funds the board may control and oversee, to carry out the board's duties and obligations as set forth in RCW 36.90.020, or (2) a commission of citizens to advise and assist in carrying out such fair. The (~~(chairman))~~ chair of the board of county commissioners of Lewis county may elect to serve as (~~(chairman))~~ chair of any such commission. Such commission may elect a president and secretary and define their duties and fix their compensation, and provide for the keeping of its records. The commission may also designate the treasurer of Lewis county as fair treasurer. The funds relating to fair activities shall be kept separate and apart from the funds of Lewis county, but shall be deposited in the regular depositories of Lewis county and all interest earned thereby shall be added to and become a part of the funds. Fair funds shall be audited as are other county funds.

Sec. 4150. RCW 36.92.030 and 1967 ex.s. c 103 s 4 are each amended to read as follows:

By resolution, the board of county commissioners may create a county central services department which shall be organized and function as any other department of the county. When a board creates a central services department, it shall also provide for the appointment of a supervisor to be the administrative head of such department, subject to the supervision and control of the board, and to serve at the pleasure of the board. The supervisor shall receive such salary as

may be prescribed by the board. In addition, the supervisor shall be reimbursed for traveling and other actual and necessary expenses incurred by him or her in the performance of his or her official duties.

Sec. 4151. RCW 36.93.070 and 1997 c 77 s 1 are each amended to read as follows:

The members of each boundary review board shall elect from its members a ((~~chairman~~)) chair, vice ((~~chairman~~)) chair, and shall employ a nonmember as chief clerk, who shall be the secretary of the board. The board shall determine its own rules and order of business and shall provide by resolution for the time and manner of holding all regular or special meetings: PROVIDED, That all meetings shall be subject to chapter 42.30 RCW. The board shall keep a journal of its proceedings which shall be a public record. A majority of all the members shall constitute a quorum for the transaction of business.

The chief clerk of the board shall have the power to administer oaths and affirmations, certify to all official acts, issue subpoenas to any public officer or employee ordering him or her to testify before the board and produce public records, papers, books or documents. The chief clerk may invoke the aid of any court of competent jurisdiction to carry out such powers.

The board by rule may provide for hearings by panels of members consisting of not less than five board members, the number of hearing panels and members thereof, and for the impartial selection of panel members. A majority of a panel shall constitute a quorum thereof.

At the request of the board, the state attorney general, or at the board's option, the county prosecuting attorney, shall provide counsel for the board.

The planning departments of the county, other counties, and any city, and any state or regional planning agency shall furnish such information to the board at its request as may be reasonably necessary for the performance of its duties.

Each member of the board shall be compensated from the county current expense fund at the rate of fifty dollars per day, or a major portion thereof, for time actually devoted to the work of the boundary review board. Each board of county commissioners shall provide such funds as shall be necessary to pay the salaries of the members and staff, and such other expenses as shall be reasonably necessary.

Sec. 4152. RCW 36.93.110 and 1987 c 477 s 4 are each amended to read as follows:

Where an area proposed for annexation is less than ten acres and less than two million dollars in assessed valuation, the ((~~chairman~~)) chair of the review board may by written statement declare that review by the board is not necessary for the protection of the interest of the various parties, in which case the board shall not review such annexation.

Sec. 4153. RCW 36.93.160 and 1994 c 216 s 16 are each amended to read as follows:

(1) When the jurisdiction of the boundary review board has been invoked, the board shall set the date, time and place for a public hearing on the proposal. The board shall give at least thirty days' advance written notice of the date, time and place of the hearing to the governing body of each governmental unit having jurisdiction within the boundaries of the territory proposed to be annexed, formed, incorporated, disincorporated, dissolved or consolidated, or within the

boundaries of a special district whose assets and facilities are proposed to be assumed by a city or town, and to the governing body of each city within three miles of the exterior boundaries of the area and to the proponent of the change. Notice shall also be given by publication in any newspaper of general circulation in the area of the proposed boundary change at least three times, the last publication of which shall be not less than five days prior to the date set for the public hearing. Notice shall also be posted in ten public places in the area affected for five days when the area is ten acres or more. When the area affected is less than ten acres, five notices shall be posted in five public places for five days. Notice as provided in this subsection shall include any territory which the board has determined to consider adding in accordance with RCW 36.93.150(2).

(2) A verbatim record shall be made of all testimony presented at the hearing and upon request and payment of the reasonable costs thereof, a copy of the transcript of the testimony shall be provided to any person or governmental unit.

(3) The (~~chairman~~) chair upon majority vote of the board or a panel may direct the chief clerk of the boundary review board to issue subpoenas to any public officer to testify, and to compel the production by him or her of any records, books, documents, public records or public papers.

(4) Within forty days after the conclusion of the final hearing on the proposal, the board shall file its written decision, setting forth the reasons therefor, with the board of county commissioners and the clerk of each governmental unit directly affected. The written decision shall indicate whether the proposed change is approved, rejected or modified and, if modified, the terms of the modification. The written decision need not include specific data on every factor required to be considered by the board, but shall indicate that all standards were given consideration. Dissenting members of the board shall have the right to have their written dissents included as part of the decision.

(5) Unanimous decisions of the hearing panel or a decision of a majority of the members of the board shall constitute the decision of the board and shall not be appealable to the whole board. Any other decision shall be appealable to the entire board within ten days. Appeals shall be on the record, which shall be furnished by the appellant, but the board may, in its sole discretion, permit the introduction of additional evidence and argument. Decisions shall be final and conclusive unless within thirty days from the date of the action a governmental unit affected by the decision or any person owning real property or residing in the area affected by the decision files in the superior court a notice of appeal.

The filing of the notice of appeal within the time limit shall stay the effective date of the decision of the board until such time as the appeal shall have been adjudicated or withdrawn. On appeal the superior court shall not take any evidence other than that contained in the record of the hearing before the board.

(6) The superior court may affirm the decision of the board or remand the case for further proceedings; or it may reverse the decision if any substantial rights may have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

- (a) In violation of constitutional provisions, or
- (b) In excess of the statutory authority or jurisdiction of the board, or
- (c) Made upon unlawful procedure, or
- (d) Affected by other error of law, or

(e) Unsupported by material and substantial evidence in view of the entire record as submitted, or

(f) Clearly erroneous.

An aggrieved party may seek appellate review of any final judgment of the superior court in the manner provided by law as in other civil cases.

Sec. 4154. RCW 36.94.060 and 1971 ex.s. c 96 s 3 are each amended to read as follows:

The members of each review committee shall elect from its members a ((chairman)) chair and a secretary. The committee shall determine its own rules and order of business and shall provide by resolution for the time and manner of its proceedings which shall be a public record. A majority of all the members shall constitute a quorum for the transaction of business.

Each member of the committee shall be compensated from the county current expense fund at the rate of twenty-five dollars per day, or a major portion thereof, for time actually devoted to the work of the committee in reviewing any proposed sewerage and/or water general plan or amendments to a plan. Each board of county commissioners shall provide such funds as shall be necessary to pay the compensation of the members and such other expenses as shall be reasonably necessary. Such payments shall be reimbursed to the counties advancing the funds from moneys acquired from the construction or operation of a sewerage and/or water system.

Sec. 4155. RCW 36.94.290 and 1988 c 202 s 41 are each amended to read as follows:

The decision of the board of county commissioners upon any objections made within the time and in the manner herein prescribed, may be reviewed by the superior court upon an appeal thereto taken in the following manner. Such appeal shall be made by filing written notice of appeal with the clerk of the board of county commissioners and with the clerk of the superior court within ten days after the resolution confirming such assessment roll shall have become published, and such notice shall describe the property and set forth the objections of such appellant to such assessment. Within the ten days from the filing of such notice of appeal with the clerk of the superior court, the appellant shall file with the clerk of said court, a transcript consisting of the assessment roll and his or her objections thereto, together with the resolution confirming such assessment roll and the record of the board of county commissioners with reference to said assessment, which transcript, upon payment of the necessary fees therefor, shall be furnished by such clerk of the board of county commissioners and by him or her certified to contain full, true and correct copies of all matters and proceedings required to be included in such transcript. Such fees shall be the same as the fees payable to the county clerk for the preparation and certification of transcripts on appeal to the supreme court or the court of appeals in civil actions. At the time of the filing of the notice of appeal with the clerk of the superior court a sufficient bond in the penal sum of two hundred dollars, with sureties thereon as provided by law for appeals in civil cases, shall be filed conditioned to prosecute such appeal without delay, and if unsuccessful, to pay all costs to which the county is put by reason of such appeal. The court may order the appellant upon application therefor, to execute and file such additional bond or bonds as the necessity of the case may require. Within three

days after such transcript is filed in the superior court, as aforesaid, the appellant shall give written notice to the clerk of the board of county commissioners that such transcript is filed. Said notice shall state a time, not less than three days from the service thereof, when the appellant will call up the said cause for hearing. The superior court shall, at said time or at such further time as may be fixed by order of the court, hear and determine such appeal without a jury, and such cause shall have preference over all civil causes pending in said court, except proceedings under an act relating to eminent domain in such county and actions of forcible entry and detainer. The judgment of the court shall confirm, correct, modify or annul the assessment insofar as the same affects the property of the appellant. A certified copy of the decision of the court shall be filed with the officer who shall have the custody of the assessment roll, and he or she shall modify and correct such assessment roll in accordance with such decision. Appellate review of the judgment of the superior court may be sought as in other cases. However, review must be sought within fifteen days after the date of the entry of the judgment of such superior court. The supreme court or the court of appeals on such appeal may correct, change, modify, confirm or annul the assessment insofar as the same affects the property of the appellant. A certified copy of the order of the supreme court or the court of appeals upon such appeal shall be filed with the officer having custody of such assessment roll, who shall thereupon modify and correct such assessment roll in accordance with such decision.

Sec. 4156. RCW 36.94.340 and 1975 1st ex.s. c 188 s 10 are each amended to read as follows:

When a municipal corporation and a county have entered into a written agreement providing for the transfer to such county of all or part of the property of such municipal corporation, proceedings may be initiated in the superior court for that county by the filing of a petition to which there shall be attached copies of the agreement of the parties and of the resolutions of the governing body of the municipal corporation and the legislative authority of the county authorizing its execution. Such petition shall ask that the court approve and direct the proposed transfer of property, and any assumption of indebtedness agreed to in consideration thereof by the county, after finding such transfer and acquisition of property to be in the public interest and conducive to the public health, safety, welfare, or convenience. Such petition shall be signed by the members of the legislative authority of the county or chief administrative officer of the municipal corporation and the ((~~chairman~~)) chair of the legislative authority of the county, respectively, upon authorization by the governing body of the municipal corporation and the legislative authority of the county.

Within thirty days after the filing of the petition of the parties with copies of their agreement and the resolutions authorizing its execution attached thereto, the court shall by order fix a date for a hearing on the petition not less than twenty nor more than ninety days after the entry of such order which also shall prescribe the form and manner of notice of such hearing to be given. After considering the petition and such evidence as may be presented at the hearing thereon, the court may determine by decree that the proposed transfer of property is in the public interest and conducive to the public health, safety, welfare, or convenience, approve the agreement of the parties and direct that

such transfer be accomplished in accordance with that agreement at the time and in the manner prescribed by the court decree.

Sec. 4157. RCW 36.95.060 and 1992 c 150 s 1 are each amended to read as follows:

The business of the district shall be conducted by the board of the television reception improvement district, hereinafter referred to as the "board". The board shall be constituted as provided under either subsection (1) or (2) of this section.

(1) The board of a district having boundaries different from the county's shall have either three, five, seven, or nine members, as determined by the board of county commissioners at the time the district is created. Each member shall reside within the boundaries of the district and shall be appointed by the board of county commissioners for a term of three years, or until his or her successor has qualified, except that the board of county commissioners shall appoint one of the members of the first board to a one-year term and two to two-year terms. There is no limit upon the number of terms to which a member may be reappointed after his or her first appointment. A majority of the members of the board shall constitute a quorum for the transaction of business, but the majority vote of the board members shall be necessary for any action taken by the board. The board shall elect from among its members a ~~((chairman))~~ chair and such other officers as may be necessary. In the event a seat on the board is vacated prior to the expiration of the term of the member appointed to such seat, the board of county commissioners shall appoint a person to complete the unexpired term.

(2) Upon the creation of a district having boundaries identical to those of the county (a county-wide district), the county commissioners shall be the members of the board of the district and shall have all the powers and duties of the board as provided under the other sections of this chapter. The county commissioners shall be reimbursed pursuant to the provisions of RCW 36.95.070, and shall conduct the business of the district according to the regular rules and procedures applicable to meetings of the board of county commissioners.

Sec. 4158. RCW 36.95.100 and 1981 c 52 s 2 are each amended to read as follows:

The tax provided for in RCW 36.95.090 and this section shall not exceed sixty dollars per year per television set, and no person shall be taxed for more than one television set, except that a motel or hotel or any person owning in excess of five television sets shall pay at a rate of one-fifth of the annual tax rate imposed for each of the first five television sets and one-tenth of such rate for each additional set thereafter. An owner of a television set within the district shall be exempt from paying any tax on such set under this chapter: (1) If either (a) his or her television set does not receive at least a class grade B contour signal retransmitted by the television translator station or other similar device operated by the district, as such class is defined under regulations of the Federal Communications Commission as of August 9, 1971, or (b) he or she is currently subscribing to and receiving the services of a community antenna system (CATV) to which his or her television set is connected; and (2) if he or she filed a statement with the board claiming his or her grounds for exemption. Space for such statement shall be provided for in the tax notice which the treasurer shall send to taxpayers in behalf of the district.

Sec. 4159. RCW 36.95.110 and 1981 c 52 s 3 are each amended to read as follows:

Any person owing the excise tax provided for under this chapter and who fails to pay the same within sixty days after the board or the county treasurer has sent the tax bill to him or her, shall be deemed to be delinquent. Such person shall be liable for all costs to the county or district attributable to collecting the tax but no such excise tax or costs, nor any judgment based thereon, shall be deemed to create a lien against real property.

Sec. 4160. RCW 36.95.150 and 1971 ex.s. c 155 s 15 are each amended to read as follows:

Any claim against the district shall be presented to the board. Upon allowance of the claim, the board shall submit a voucher, signed by the ~~((chairman))~~ chair and one other member of the board, to the county auditor for the issuance of a warrant in payment of said claim. This procedure for payment of claims shall apply to the reimbursement of board members for their actual and necessary expenses incurred by them in the performance of their official duties.

Sec. 4161. RCW 36.95.160 and 1983 c 167 s 103 are each amended to read as follows:

The treasurer of the county in which a district is located shall be ex officio treasurer of the district. The treasurer shall collect the excise tax provided for under this chapter and shall send notice of payment due to persons owing the tax: PROVIDED, That districts with fewer than twelve hundred persons subject to the excise tax and levying an excise tax of forty dollars or more per television set per year shall have the option of having the district (1) send the tax notices bimonthly, and (2) collect the excise taxes which shall then be forwarded to the county treasurer for deposit in the district account. There shall be deposited with him or her all funds of the district. All district payments shall be made by him or her from such funds upon warrants issued by the county auditor, except the sums to be paid out of any bond fund for principal and interest payments on bonds. All warrants shall be paid in the order of issuance. The treasurer shall report monthly to the board, in writing, the amount in the district fund or funds.

PART V

Sec. 5001. RCW 43.01.040 and 1984 c 184 s 19 are each amended to read as follows:

Each subordinate officer and employee of the several offices, departments, and institutions of the state government shall be entitled under their contract of employment with the state government to not less than one working day of vacation leave with full pay for each month of employment if said employment is continuous for six months.

Each such subordinate officer and employee shall be entitled under such contract of employment to not less than one additional working day of vacation with full pay each year for satisfactorily completing the first two, three and five continuous years of employment respectively.

Such part time officers or employees of the state government who are employed on a regular schedule of duration of not less than one year shall be entitled under their contract of employment to that fractional part of the vacation

leave that the total number of hours of such employment bears to the total number of hours of full time employment.

Each subordinate officer and employee of the several offices, departments and institutions of the state government shall be entitled under his or her contract of employment with the state government to accrue unused vacation leave not to exceed thirty working days. Officers and employees transferring within the several offices, departments and institutions of the state government shall be entitled to transfer such accrued vacation leave to each succeeding state office, department or institution. All vacation leave shall be taken at the time convenient to the employing office, department or institution: PROVIDED, That if a subordinate officer's or employee's request for vacation leave is deferred by reason of the convenience of the employing office, department or institution, and a statement of the necessity therefor is filed by such employing office, department or institution with the appropriate personnel board or other state agency or officer, then the aforesaid maximum thirty working days of accrued unused vacation leave shall be extended for each month said leave is so deferred.

Sec. 5002. RCW 43.01.050 and 1985 c 57 s 26 are each amended to read as follows:

Each state officer or other person, other than county treasurer, who is authorized by law to collect or receive moneys which are required by statute to be deposited in the state treasury shall transmit to the state treasurer each day, all such moneys collected by him or her on the preceding day: PROVIDED, That the state treasurer may in his or her discretion grant exceptions where such daily transfers would not be administratively practical or feasible. In the event that remittances are not accompanied by a statement designating source and fund, the state treasurer shall deposit these moneys in an account hereby created in the state treasury to be known as the undistributed receipts account. These moneys shall be retained in the account until such time as the transmitting agency provides a statement in duplicate of the source from which each item of money was derived and the fund into which it is to be transmitted. The director of financial management in accordance with RCW 43.88.160 shall promulgate regulations designed to assure orderly and efficient administration of this account. In the event moneys are deposited in this account that constitute overpayments, refunds may be made by the remitting agency without virtue of a legislative appropriation.

Sec. 5003. RCW 43.01.070 and 1965 c 8 s 43.01.070 are each amended to read as follows:

If any officer fails to comply with the provisions of RCW 43.01.050, he or she shall be liable to the state upon his or her official bond in a sum equal to ten percent annual interest on the funds for such time as he or she retained them.

Sec. 5004. RCW 43.03.011 and 2007 c 524 s 1 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salaries of the state elected officials of the executive branch shall be as follows:

(1) Effective September 1, 2006:

(a) Governor..... \$ 150,995

(b) Lieutenant governor	\$ 78,930
(c) Secretary of state	\$ 105,811
(d) Treasurer	\$ 105,811
(e) Auditor	\$ 105,811
(f) Attorney general	\$ 137,268
(g) Superintendent of public instruction	\$ 107,978
(h) Commissioner of public lands	\$ 107,978
(i) Insurance commissioner	\$ 105,811
(2) Effective September 1, 2007:	
(a) Governor.	\$ 163,618
(b) Lieutenant governor	\$ 92,106
(c) Secretary of state	\$ 114,657
(d) Treasurer	\$ 114,657
(e) Auditor	\$ 114,657
(f) Attorney general	\$ 148,744
(g) Superintendent of public instruction	\$ 119,234
(h) Commissioner of public lands	\$ 119,234
(i) Insurance commissioner	\$ 114,657
(3) Effective September 1, 2008:	
(a) Governor.	\$ 166,891
(b) Lieutenant governor	\$ 93,948
(c) Secretary of state	\$ 116,950
(d) Treasurer	\$ 116,950
(e) Auditor	\$ 116,950
(f) Attorney general	\$ 151,718
(g) Superintendent of public instruction	\$ 121,618
(h) Commissioner of public lands	\$ 121,618
(i) Insurance commissioner	\$ 116,950

(4) The lieutenant governor shall receive the fixed amount of his or her salary plus 1/260th of the difference between his or her salary and that of the governor for each day that the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor.

Sec. 5005. RCW 43.03.015 and 1967 ex.s. c 100 s 2 are each amended to read as follows:

Any person appointed to fill a vacancy that may occur in either the senate or house of representatives of the state legislature, prior to his or her qualification at the next succeeding regular or special session of the legislature shall be entitled to the same emoluments of office as the duly elected member whom he or she succeeded.

Sec. 5006. RCW 43.03.020 and 1965 c 8 s 43.03.020 are each amended to read as follows:

Whenever by reason of the absence from the state or the disability of the governor, the lieutenant governor is called upon temporarily to perform the duties of the office of governor, he or she shall be paid upon his or her personal voucher therefor the sum of ten dollars per day for expenses.

Sec. 5007. RCW 43.03.030 and 2009 c 5 s 4 are each amended to read as follows:

(1) Wherever the compensation of any appointive state officer or employee is fixed by statute, it may be hereafter increased or decreased in the manner provided by law for the fixing of compensation of other appointive state officers or employees; but this subsection shall not apply to the heads of state departments.

(2) Wherever the compensation of any state officer appointed by the governor, or of any employee in any office or department under the control of any such officer, is fixed by statute, such compensation may hereafter, from time to time, be changed by the governor, and he or she shall have power to fix such compensation at any amount not to exceed the amount fixed by statute.

(3) For the twelve months following February 18, 2009, a salary or wage increase shall not be granted to any position under this section.

Sec. 5008. RCW 43.03.110 and 1967 ex.s. c 16 s 1 are each amended to read as follows:

Whenever it is reasonably necessary to the successful performance of the required duty of a state office, commission, department or institution to transfer a deputy or other employee from one station to another within the state, thereby necessitating a change of such deputy's or employee's domicile, it shall be lawful for such office, commission, department or institution to move such deputy's or employee's household goods and effects to the new station at the expense of the state, or to defray the actual cost of such removal by common carrier, or otherwise, at the expense of the state, in which latter event reimbursement to the deputy or employee shall be upon voucher submitted by him or her and approved by the department head.

Sec. 5009. RCW 43.03.120 and 1979 c 151 s 86 are each amended to read as follows:

Any state office, commission, department or institution may also pay the moving expenses of a new employee, necessitated by his or her acceptance of state employment, pursuant to mutual agreement with such employee in advance of his or her employment: PROVIDED, That if such employee is in the classified service as defined in chapter 41.06 RCW, that said employee has been duly certified from an eligible register. No such offer or agreement for such payment shall be made to a prospective member of the classified service, prior to such certification, except through appropriate public announcement by the department of personnel, or other corresponding personnel agency as provided by chapter 41.06 RCW. Payment for all expenses authorized by RCW 43.03.060, 43.03.110 through 43.03.210 including moving expenses of new employees, exempt or classified, and others, shall be subject to reasonable regulations promulgated by the director of financial management, including regulations defining allowable moving costs: PROVIDED, That, if the new employee terminates or causes termination of his or her employment with the state within one year of the date of employment, the state shall be entitled to reimbursement for the moving costs which have been paid and may withhold such sum as necessary therefor from any amounts due the employee.

Sec. 5010. RCW 43.03.170 and 1979 ex.s. c 71 s 1 are each amended to read as follows:

The head of any state department may issue an advance warrant on the request of any officer or employee for the purpose of defraying his or her anticipated reimbursable expenses while traveling on business of such state department away from his or her designated post of duty, except expenses in connection with the use of a personal automobile. The amount of such advance shall not exceed the amount of such reasonably anticipated expenses of the officer or employee to be necessarily incurred in the course of such business of the state for a period of not to exceed ninety days. Department heads shall establish written policies prescribing a reasonable amount for which such warrants may be written.

Sec. 5011. RCW 43.03.180 and 1967 ex.s. c 16 s 9 are each amended to read as follows:

On or before the tenth day following each month in which such advance was furnished to the officer or employee, he or she shall submit to the head of his or her department a fully itemized travel expense voucher fully justifying the expenditure of such advance or whatever part thereof has been expended, for legally reimbursable items on behalf of the state. Any unexpended portion of such advance shall be returned to the agency at the close of the authorized travel period. Payment shall accompany such itemized voucher at the close of the travel period; and may be made by check or similar instrument payable to the department. Any default in accounting for or repaying an advance shall render the full amount which is unpaid immediately due and payable with interest at the rate of ten percent per annum from the date of default until paid.

Sec. 5012. RCW 43.03.200 and 1967 ex.s. c 16 s 11 are each amended to read as follows:

An advance made under RCW 43.03.150 through 43.03.210 shall be considered as having been made to such officer or employee to be expended by him or her as an agent of the state for state purposes only, and specifically to defray necessary costs while performing his or her official duties. No such advance shall be considered for any purpose as a loan to such officer or employee, and any unauthorized expenditure of such funds shall be considered a misappropriation of state funds by a custodian of such funds.

Sec. 5013. RCW 43.06.020 and 1965 c 8 s 43.06.020 are each amended to read as follows:

The governor must cause to be kept the following records:

First, a register of all pardons, commutations, executive paroles, final discharges, and restorations of citizenship made by him or her;

Second, an account of all his or her disbursements of state moneys, and of all rewards offered by him or her for the apprehension of criminals and persons charged with crime;

Third, a register of all appointments made by him or her with date of commission, name of appointee and name of predecessor, if any.

Sec. 5014. RCW 43.06.040 and 1965 c 8 s 43.06.040 are each amended to read as follows:

If the governor absents himself or herself from the state, he or she shall, prior to his or her departure, notify the lieutenant governor of his or her proposed

absence, and during such absence the lieutenant governor shall perform all the duties of the governor.

Sec. 5015. RCW 43.06.050 and 1965 c 8 s 43.06.050 are each amended to read as follows:

Every provision of law in relation to the powers and duties of the governor, and in relation to acts and duties to be performed by others towards him or her, extends to the person performing for the time being the duties of governor.

Sec. 5016. RCW 43.06.055 and 1969 ex.s. c 88 s 1 are each amended to read as follows:

The legislature preceding the gubernatorial election shall make an appropriation which may only be expended by a newly elected governor other than the incumbent for the purpose of providing office and staff for the governor-elect preparatory to his or her assumption of duties as governor. The funds for the appropriation shall be made available to him or her not later than thirty days prior to the date when the legislature will convene.

Sec. 5017. RCW 43.06.070 and 1965 c 8 s 43.06.070 are each amended to read as follows:

The governor may remove from office any state officer appointed by him or her not liable to impeachment, for incompetency, misconduct, or malfeasance in office.

Sec. 5018. RCW 43.06.080 and 1965 c 8 s 43.06.080 are each amended to read as follows:

Whenever the governor is satisfied that any officer not liable to impeachment has been guilty of misconduct, or malfeasance in office, or is incompetent, he or she shall file with the secretary of state a statement showing his or her reasons, with his or her order of removal, and the secretary of state shall forthwith send a certified copy of such order of removal and statement of causes by registered mail to the last known post office address of the officer in question.

Sec. 5019. RCW 43.06.090 and 1965 c 8 s 43.06.090 are each amended to read as follows:

At the time of making any removal from office, the governor shall appoint some proper person to fill the office, who shall forthwith demand and receive from the officer removed the papers, records, and property of the state pertaining to the office, and shall perform the duties of the office and receive the compensation thereof until his or her successor is appointed.

Sec. 5020. RCW 43.06.110 and 1971 ex.s. c 177 s 2 are each amended to read as follows:

The governor, or his or her designee, is hereby authorized and empowered to undertake such programs as will, in the judgment of the governor, or his or her designee, enable families and individuals of all ages, in rural and urban areas, in need of the skills, knowledge, motivations, and opportunities to become economically self-sufficient to obtain and secure such skills, knowledge, motivations, and opportunities. Such programs may be engaged in as solely state operations, or in conjunction or cooperation with any appropriate agency of the federal government, any branch or agency of the government of this state, any city or town, county, municipal corporation, metropolitan municipal

corporation or other political subdivision of the state, or any private corporation. Where compliance with the provisions of federal law or rules or regulations promulgated thereunder is a necessary condition to the receipt of federal funds by the state, the governor or his or her designee, is hereby authorized to comply with such laws, rules or regulations to the extent necessary for the state to cooperate most fully with the federal government in furtherance of the programs herein authorized.

Sec. 5021. RCW 43.06.120 and 1967 ex.s. c 41 s 1 are each amended to read as follows:

The governor is authorized to accept on behalf of the state of Washington funds provided by any act of congress for the benefit of the state or its political subdivisions. He or she is further authorized to administer and disburse such funds, or to designate an agency to administer and disburse them, until the legislature otherwise directs.

Sec. 5022. RCW 43.06.200 and 1977 ex.s. c 328 s 11 are each amended to read as follows:

Unless a different meaning is plainly required by the context, the following words and phrases as hereinafter used in RCW 43.06.010, and 43.06.200 through 43.06.270 each as now or hereafter amended shall have the following meaning:

"State of emergency" means an emergency proclaimed as such by the governor pursuant to RCW 43.06.010 as now or hereafter amended.

"Governor" means the governor of this state or, in case of his or her removal, death, resignation or inability to discharge the powers and duties of his or her office, then the person who may exercise the powers of governor pursuant to the Constitution and laws of this state relating to succession in office.

"Criminal offense" means any prohibited act for which any criminal penalty is imposed by law and includes any misdemeanor, gross misdemeanor, or felony.

Sec. 5023. RCW 43.06.270 and 1969 ex.s. c 186 s 9 are each amended to read as follows:

The governor may in his or her discretion order the state militia pursuant to chapter 38.08 RCW or the state patrol to assist local officials to restore order in the area described in the proclamation of a state of emergency.

Sec. 5024. RCW 43.07.010 and 1965 c 8 s 43.07.010 are each amended to read as follows:

The secretary of state must execute an official bond to the state in the sum of ten thousand dollars, conditioned for the faithful performance of the duties of his or her office, and shall receive no pay until such bond, approved by the governor, is filed with the state auditor.

Sec. 5025. RCW 43.07.020 and 1965 c 8 s 43.07.020 are each amended to read as follows:

The secretary of state may have one assistant secretary of state and one deputy secretary of state each of whom shall be appointed by him or her in writing, and continue during his or her pleasure. The assistant secretary of state and deputy secretary of state shall have the power to perform any act or duty relating to the secretary of state's office, that the secretary of state has, and the secretary of state shall be responsible for the acts of said assistant and deputy.

Sec. 5026. RCW 43.07.030 and 1982 c 35 s 186 are each amended to read as follows:

The secretary of state shall:

- (1) Keep a register of and attest the official acts of the governor;
- (2) Affix the state seal, with his or her attestation, to commissions, pardons, and other public instruments to which the signature of the governor is required, and also attestations and authentications of certificates and other documents properly issued by the secretary;
- (3) Record all articles of incorporation, deeds, or other papers filed in the secretary of state's office;
- (4) Receive and file all the official bonds of officers required to be filed with the secretary of state;
- (5) Take and file in the secretary of state's office receipts for all books distributed by him or her;
- (6) Certify to the legislature the election returns for all officers required by the Constitution to be so certified, and certify to the governor the names of all other persons who have received at any election the highest number of votes for any office the incumbent of which is to be commissioned by the governor;
- (7) Furnish, on demand, to any person paying the fees therefor, a certified copy of all or any part of any law, record, or other instrument filed, deposited, or recorded in the secretary of state's office;
- (8) Present to the speaker of the house of representatives, at the beginning of each regular session of the legislature during an odd-numbered year, a full account of all purchases made and expenses incurred by the secretary of state on account of the state;
- (9) File in his or her office an impression of each and every seal in use by any state officer;
- ~~((10)))~~ **(10)** Keep a record of all fees charged or received by the secretary of state.

Sec. 5027. RCW 43.07.040 and 1965 c 8 s 43.07.040 are each amended to read as follows:

The secretary of state is charged with the custody:

- (1) Of all acts and resolutions passed by the legislature;
- (2) Of the journals of the legislature;
- (3) Of the seal of the state;
- (4) Of all books, records, deeds, parchments, maps, and papers required to be kept on deposit in his or her office pursuant to law;
- (5) Of the enrolled copy of the Constitution.

Sec. 5028. RCW 43.07.050 and 1965 c 8 s 43.07.050 are each amended to read as follows:

The secretary of state shall be ex officio commissioner of statistics. He or she shall establish within his or her office, and under his or her immediate supervision, a bureau to be known as the bureau of statistics, agriculture and immigration.

Sec. 5029. RCW 43.07.090 and 1965 c 8 s 43.07.090 are each amended to read as follows:

The commissioner shall have the power to send for persons and papers whenever in his or her opinion it is necessary, and he or she may examine

witnesses under oath, being hereby qualified to administer the same in the performance of his or her duty, and the testimony so taken must be filed and preserved in his or her office. He or she shall have free access to all places and works of labor, and any principal, owner, operator, manager, or lessee of any mine, factory, workshop, warehouse, manufacturing or mercantile establishment, or any agent or employee of any such principal, owner, operator, manager, or lessee, who shall refuse to the commissioner or his or her duly authorized representative admission therein, or who shall, when requested by him or her, wilfully neglect or refuse to furnish him or her any statistics or information pertaining to his or her lawful duties which may be in the possession or under the control of said principal, owner, operator, lessee, manager, or agent thereof, shall be punished by a fine of not less than fifty nor more than two hundred dollars.

Sec. 5030. RCW 43.07.110 and 1965 c 8 s 43.07.110 are each amended to read as follows:

The commissioner shall appoint a deputy commissioner, who shall act in his or her absence, and the deputy shall receive the sum of twelve hundred dollars per annum to be paid by the state treasurer in the same manner as other state officers are paid; the sum allowed for deputy and other incidental expenses of the bureau shall not exceed the sum of three thousand dollars any one year. The commissioner shall have authority to employ one person to act as immigration agent, which agent shall reside in such city as said commissioner may designate, and he or she shall be provided with such literature and incidental accessories as in his or her judgment may be necessary.

Sec. 5031. RCW 43.08.010 and 1977 c 75 s 38 are each amended to read as follows:

The state treasurer shall:

- (1) Receive and keep all moneys of the state in the manner provided in RCW 43.88.160, as now or hereafter amended;
- (2) Disburse the public moneys only upon warrants or checks drawn upon the treasurer in the manner provided by law;
- (3) Account for moneys in the manner provided by law;
- (4) Render accounts in the manner provided by law;
- (5) Indorse on each warrant when required by law, the date of payment, the amount of the principal, and the interest due on that date;
- (6) Report annually to the legislature a detailed statement of the condition of the treasury, and of its operations for the preceding fiscal year;
- (7) Give information, in writing, to either house of the legislature, whenever required, upon any subject connected with the treasury, or touching any duty of his or her office;
- (8) Account for and pay over all moneys on hand to his or her successor in office, and deliver all books, vouchers, and effects of office to him or her, who shall receipt therefor;
- (9) Upon payment of any warrant, or check, take upon the back thereof the indorsement of the person to whom it is paid.

Sec. 5032. RCW 43.08.020 and 1972 ex.s. c 12 s 1 are each amended to read as follows:

The state treasurer shall reside and keep his or her office at the seat of government. Before entering upon his or her duties, he or she shall execute and deliver to the secretary of state a bond to the state in a sum of not less than five hundred thousand dollars, to be approved by the secretary of state and one of the justices of the supreme court, conditioned to pay all moneys at such times as required by law, and for the faithful performance of all duties required of him or her by law. He or she shall take an oath of office, to be indorsed on his or her commission, and file a copy thereof, together with the bond, in the office of the secretary of state.

Sec. 5033. RCW 43.08.030 and 1965 c 8 s 43.08.030 are each amended to read as follows:

The treasurer shall keep a seal of office for the authentication of all papers, writings, and documents required to be certified by him or her.

Sec. 5034. RCW 43.08.040 and 1965 c 8 s 43.08.040 are each amended to read as follows:

The treasurer may administer all oaths required by law in matters pertaining to the duties of his or her office.

Sec. 5035. RCW 43.08.050 and 1965 c 8 s 43.08.050 are each amended to read as follows:

All the books, papers, letters, and transactions pertaining to the office of treasurer shall be open for the inspection of a committee of the legislature to examine or settle all accounts, and to count all money; and to the inspection of the public generally during office hours; and when the successor of any treasurer is elected and qualified, the state auditor shall examine and settle all the accounts of the treasurer remaining unsettled, and give him or her a certified statement showing the balance of moneys, securities, and effects for which he or she is accountable, which have been delivered to his or her successor, and report the same to the legislature.

Sec. 5036. RCW 43.08.062 and 1986 c 99 s 1 are each amended to read as follows:

Should the payee or legal holder of any warrant drawn against the state treasury fail to present the warrant for payment within one hundred eighty days of the date of its issue or, if registered and drawing interest, within one hundred eighty days of its call, the state treasurer shall enter the same as canceled on the books of his or her office.

Should the payee or legal owner of such a canceled warrant thereafter present it for payment, the state treasurer may, upon proper showing by affidavit and the delivery of the warrant into his or her possession, issue a new warrant in lieu thereof, and the state treasurer is authorized to pay the new warrant.

Sec. 5037. RCW 43.08.066 and 1979 ex.s. c 71 s 4 are each amended to read as follows:

Before a duplicate instrument is issued, the state treasurer or other issuing officer shall require the person making application for its issue to file in his or her office a written affidavit specifically alleging on oath that he or she is the proper owner, payee, or legal representative of such owner or payee of the original instrument, giving the date of issue, the number, amount, and for what

services or claim or purpose the original instrument or series of instruments of which it is a part was issued, and that the same has been lost or destroyed, and has not been paid, or has not been received by him or her: PROVIDED, That in the event that an original and its duplicate instrument are both presented for payment as a result of forgery or fraud, the issuing officer shall be the state agency responsible for endeavoring to recover any losses suffered by the state.

Sec. 5038. RCW 43.08.068 and 1965 ex.s. c 61 s 3 are each amended to read as follows:

The state treasurer or other issuing officer shall keep a full and complete record of all warrants, bonds or other instruments alleged to have been lost or destroyed, which were issued by such agency, and of the issue of any duplicate therefor; and upon the issuance of any duplicate, the officer shall enter upon his or her books the cancellation of the original instrument and immediately notify the state treasurer, the state auditor, and all trustees and paying agents authorized to redeem such instruments on behalf of the state of Washington, of such cancellation. The treasurer shall keep a similar list of all warrants, bonds or other instruments so canceled.

Sec. 5039. RCW 43.08.070 and 1981 c 10 s 3 are each amended to read as follows:

Upon the presentation of any state warrant to the state treasurer, if there is not sufficient money then available in the appropriate fund with which to redeem all warrants drawn against such fund which the treasurer anticipates will be presented for payment during the current business day, he or she may endorse on the warrant, "Not paid for want of funds," with the day and date of presentation, and the warrant shall draw legal interest from and including that date until five days from and after being called for payment in accordance with RCW 43.08.080, or until paid, whichever occurs first; or, in the alternative, the treasurer may prepare and register a single new warrant, drawn against the appropriate fund, and exchange such new warrant for one or more warrants not paid for want of funds when presented for payment totaling a like amount but not exceeding one million dollars, which new warrant shall then draw legal interest from and including its date of issuance until five days from and after being called for payment in accordance with RCW 43.08.080, or until paid, whichever occurs first. The legal rate or rates of interest on these warrants shall be established by the state treasurer in accordance with RCW 39.56.030.

Sec. 5040. RCW 43.08.080 and 1971 ex.s. c 88 s 3 are each amended to read as follows:

When the state treasurer deems that there is sufficient money in a fund to pay all or part of the registered warrants of such fund, and the warrants are not presented for payment, he or she may advertise at least once in some newspaper published at the seat of government, stating the serial number of the warrants he or she is calling and prepared to pay; and if such warrants are not presented for payment within five days from and after the date of publication of the notice, the warrants shall not then draw any further interest: PROVIDED, That when said fund has a balance in excess of three percent of the preceding monthly warrant issue of said fund, or at any time that the money in the fund exceeds the warrants outstanding, the state treasurer shall similarly advertise a call for all those

registered warrants which can be fully paid out of said fund in accordance with their registration sequence.

Sec. 5041. RCW 43.08.100 and 1965 c 8 s 43.08.100 are each amended to read as follows:

The fiscal agent of the state shall receive all moneys due the state from any other state or from the federal government, take all necessary steps for the collection thereof, and apply the same to the funds to which they belong. He or she shall collect from time to time all moneys that may accrue to the state by virtue of section 13 of the enabling act, or from any other source not otherwise provided for by law.

Sec. 5042. RCW 43.08.120 and 1973 c 10 s 1 are each amended to read as follows:

The state treasurer may appoint an assistant state treasurer, who shall have the power to perform any act or duty which may be performed by the state treasurer, and in case of a vacancy in the office of state treasurer, perform the duties of the office until the vacancy is filled as provided by law.

The state treasurer may appoint no more than three deputy state treasurers, who shall have the power to perform any act or duty which may be performed by the state treasurer.

The assistant state treasurer and the deputy state treasurers shall be exempt from the provisions of chapter 41.06 RCW and shall hold office at the pleasure of the state treasurer; they shall, before entering upon the duties of their office, take and subscribe, and file with the secretary of state, the oath of office provided by law for other state officers.

The state treasurer shall be responsible on his or her official bond for all official acts of the assistant state treasurer and the deputy state treasurers.

Sec. 5043. RCW 43.08.130 and 1972 ex.s. c 145 s 2 are each amended to read as follows:

If the state treasurer wilfully refuses to pay except in accordance with the provisions of RCW 43.08.070 or by cash or check any warrant designated as payable in the state treasurer's office which is lawfully drawn upon the state treasury, or knowingly pays any warrant otherwise than as provided by law, then any person injured thereby may recover by action against the treasurer and the sureties on his or her official bond.

Sec. 5044. RCW 43.08.135 and 1983 c 3 s 100 are each amended to read as follows:

The state treasurer shall maintain at all times cash, or demand deposits in qualified public depositories in an amount needed to meet the operational needs of state government: PROVIDED, That the state treasurer shall not be considered in violation of RCW 9A.56.060(1) if he or she maintains demand accounts in public depositories in an amount less than all treasury warrants issued and outstanding.

Sec. 5045. RCW 43.08.150 and 1977 c 75 s 39 are each amended to read as follows:

As soon as possible after the close of each calendar month, the state treasurer shall prepare a report as to the state of the general fund and every other fund under his or her control itemized as to:

(1) The amount in the fund at the close of business at the end of the preceding month;

(2) The amount of revenue deposited or transferred to the credit of each fund during the current month;

(3) The amount of withdrawals or transfers from each fund during the current month; and

(4) The amount on hand in each fund at the close of business at the end of the current month.

One copy of each report shall be provided promptly to those requesting them so long as the supply lasts.

Sec. 5046. RCW 43.10.010 and 1973 c 43 s 1 are each amended to read as follows:

No person shall be eligible to be attorney general unless he or she is a qualified practitioner of the supreme court of this state.

Before entering upon the duties of his or her office, any person elected or appointed attorney general shall take, subscribe, and file the oath of office as required by law; take, subscribe, and file with the secretary of state an oath to comply with the provisions of RCW 43.10.115; and execute and file with the secretary of state, a bond to the state, in the sum of five thousand dollars, with sureties to be approved by the governor, conditioned for the faithful performance of his or her duties and the paying over of all moneys, as provided by law.

Sec. 5047. RCW 43.10.020 and 1965 c 8 s 43.10.020 are each amended to read as follows:

If the governor deems any bond filed by the attorney general insufficient, he or she may require an additional bond for any amount not exceeding five thousand dollars.

If any attorney general fails to give such additional bond as required by the governor within twenty days after notice in writing of such requirement, his or her office may be declared vacant by the governor and filled as provided by law.

Sec. 5048. RCW 43.10.030 and 1975 c 40 s 5 are each amended to read as follows:

The attorney general shall:

(1) Appear for and represent the state before the supreme court or the court of appeals in all cases in which the state is interested;

(2) Institute and prosecute all actions and proceedings for, or for the use of the state, which may be necessary in the execution of the duties of any state officer;

(3) Defend all actions and proceedings against any state officer or employee acting in his or her official capacity, in any of the courts of this state or the United States;

(4) Consult with and advise the several prosecuting attorneys in matters relating to the duties of their office, and when the interests of the state require, he or she shall attend the trial of any person accused of a crime, and assist in the prosecution;

(5) Consult with and advise the governor, members of the legislature, and other state officers, and when requested, give written opinions upon all constitutional or legal questions relating to the duties of such officers;

(6) Prepare proper drafts of contracts and other instruments relating to subjects in which the state is interested;

(7) Give written opinions, when requested by either branch of the legislature, or any committee thereof, upon constitutional or legal questions;

(8) Enforce the proper application of funds appropriated for the public institutions of the state, and prosecute corporations for failure or refusal to make the reports required by law;

(9) Keep in proper books a record of all cases prosecuted or defended by him or her, on behalf of the state or its officers, and of all proceedings had in relation thereto, and deliver the same to his or her successor in office;

(10) Keep books in which he or she shall record all the official opinions given by him or her during his or her term of office, and deliver the same to his or her successor in office;

(11) Pay into the state treasury all moneys received by him or her for the use of the state.

Sec. 5049. RCW 43.10.060 and 1965 c 8 s 43.10.060 are each amended to read as follows:

The attorney general may appoint necessary assistants, who shall hold office at his or her pleasure, and who shall have the power to perform any act which the attorney general is authorized by law to perform.

Sec. 5050. RCW 43.10.080 and 1965 c 8 s 43.10.080 are each amended to read as follows:

The attorney general may employ such skilled experts, scientists, technicians, or other specially qualified persons as he or she deems necessary to aid him or her in the preparation or trial of actions or proceedings.

Sec. 5051. RCW 43.10.090 and 1965 c 8 s 43.10.090 are each amended to read as follows:

Upon the written request of the governor, the attorney general shall investigate violations of the criminal laws within this state.

If, after such investigation, the attorney general believes that the criminal laws are improperly enforced in any county, and that the prosecuting attorney of the county has failed or neglected to institute and prosecute violations of such criminal laws, either generally or with regard to a specific offense or class of offenses, the attorney general shall direct the prosecuting attorney to take such action in connection with any prosecution as the attorney general determines to be necessary and proper.

If any prosecuting attorney, after the receipt of such instructions from the attorney general, fails or neglects to comply therewith within a reasonable time, the attorney general may initiate and prosecute such criminal actions as he or she shall determine. In connection therewith, the attorney general shall have the same powers as would otherwise be vested in the prosecuting attorney.

From the time the attorney general has initiated or taken over a criminal prosecution, the prosecuting attorney shall not have power or authority to take any legal steps relating to such prosecution, except as authorized or directed by the attorney general.

Sec. 5052. RCW 43.10.110 and 1965 c 8 s 43.10.110 are each amended to read as follows:

The attorney general shall have the power and it shall be his or her duty to perform any other duties that are, or may from time to time be required of him or her by law.

Sec. 5053. RCW 43.10.115 and 1973 c 43 s 2 are each amended to read as follows:

The attorney general shall not practice law for remuneration in his or her private capacity:

(1) As an attorney in any court of this state during his or her continuance in office; or

(2) As adviser or advocate for any person who may wish to become his or her client.

Sec. 5054. RCW 43.10.120 and 1973 c 43 s 3 are each amended to read as follows:

No full time deputy or assistant attorney general shall practice law for remuneration in his or her private capacity:

(1) As an attorney in any court of this state during his or her continuance in office; or

(2) As adviser or advocate for any person who may wish to become his or her client.

Sec. 5055. RCW 43.10.130 and 1973 c 43 s 5 are each amended to read as follows:

None of the provisions of RCW 43.10.010 and 43.10.115 through 43.10.125 shall be construed as prohibiting the attorney general or any of his or her full time deputies or assistants from:

(1) Performing legal services for himself or herself or his or her immediate family; or

(2) Performing legal services of a charitable nature.

Sec. 5056. RCW 43.10.160 and 1979 c 151 s 94 are each amended to read as follows:

The amounts to be disbursed from the legal services revolving fund from time to time shall be transferred thereto by the state treasurer from funds appropriated to any and all agencies for legal services or administrative expenses on a quarterly basis. Agencies operating in whole or in part from nonappropriated funds shall pay into the legal services revolving fund such funds as will fully reimburse funds appropriated to the attorney general for any legal services provided activities financed by nonappropriated funds.

The director of financial management shall allot all such funds to the attorney general for the operation of his or her office, pursuant to appropriation, in the same manner as appropriated funds are allocated to other agencies headed by elected officers under chapter 43.88 RCW.

Sec. 5057. RCW 43.10.170 and 1971 ex.s. c 71 s 3 are each amended to read as follows:

Disbursements from the legal services revolving fund shall be pursuant to vouchers executed by the attorney general or his or her designee in accordance with the provisions of RCW 43.88.160.

Sec. 5058. RCW 43.17.030 and 1965 c 8 s 43.17.030 are each amended to read as follows:

The directors of the several departments shall exercise such powers and perform such executive and administrative duties as are provided by law.

Each appointive officer before entering upon the duties of his or her office shall take and subscribe the oath of office prescribed by law for elective state officers, and file the same in the office of the secretary of state.

Sec. 5059. RCW 43.17.040 and 1965 c 8 s 43.17.040 are each amended to read as follows:

The director of each department may, from time to time, designate and deputize one of the assistant directors of his or her department to act as the chief assistant director, who shall have charge and general supervision of the department in the absence or disability of the director, and who, in case a vacancy occurs in the office of director, shall continue in charge of the department until a director is appointed and qualified, or the governor appoints an acting director.

Sec. 5060. RCW 43.17.050 and 1965 c 8 s 43.17.050 are each amended to read as follows:

Each department shall maintain its principal office at the state capital. The director of each department may, with the approval of the governor, establish and maintain branch offices at other places than the state capital for the conduct of one or more of the functions of his or her department.

The governor, in his or her discretion, may require all administrative departments of the state and the appointive officers thereof, other than those created by this chapter, to maintain their principal offices at the state capital in rooms to be furnished by the director of general administration.

Sec. 5061. RCW 43.17.060 and 1965 c 8 s 43.17.060 are each amended to read as follows:

The director of each department may prescribe rules and regulations, not inconsistent with law, for the government of his or her department, the conduct of its subordinate officers and employees, the disposition and performance of its business, and the custody, use, and preservation of the records, papers, books, documents, and property pertaining thereto.

Sec. 5062. RCW 43.17.100 and 1977 ex.s. c 270 s 7 are each amended to read as follows:

Every appointive state officer and employee of the state shall give a surety bond, payable to the state in such sum as shall be deemed necessary by the director of the department of general administration, conditioned for the honesty of the officer or employee and for the accounting of all property of the state that shall come into his or her possession by virtue of his or her office or employment, which bond shall be approved as to form by the attorney general and shall be filed in the office of the secretary of state.

The director of general administration may purchase one or more blanket surety bonds for the coverage required in this section.

Any bond required by this section shall not be considered an official bond and shall not be subject to chapter 42.08 RCW.

Sec. 5063. RCW 43.19.180 and 1975-'76 2nd ex.s. c 21 s 1 are each amended to read as follows:

The director of general administration shall appoint and deputize an assistant director to be known as the state purchasing and material control director, who shall have charge and supervision of the division of purchasing. In this capacity he or she shall ensure that overall state purchasing and material control policy is implemented by state agencies, including educational institutions, within established time limits.

With the approval of the director of general administration, he or she may appoint and employ such assistants and personnel as may be necessary to carry on the work of the division.

Sec. 5064. RCW 43.19.1915 and 1965 c 8 s 43.19.1915 are each amended to read as follows:

When any bid has been accepted, the division of purchasing may require of the successful bidder a bond payable to the state in such amount with such surety or sureties as determined by the division of purchasing, conditioned that he or she will fully, faithfully and accurately execute the terms of the contract into which he or she has entered. The bond shall be filed in the office of the division of purchasing. Bidders who regularly do business with the state shall be permitted to file with the division of purchasing an annual bid bond in an amount established by the division and such annual bid bond shall be acceptable as surety in lieu of furnishing surety with individual bids.

Sec. 5065. RCW 43.19.1937 and 1995 c 269 s 1405 are each amended to read as follows:

No state employee whose duties performed for the state include:

(1) Advising on or drawing specifications for supplies, equipment, commodities, or services;

(2) Suggesting or determining vendors to be placed upon a bid list;

(3) Drawing requisitions for supplies, equipment, commodities, or services;

(4) Evaluating specifications or bids and suggesting or determining awards;

or

(5) Accepting the receipt of supplies, equipment, and commodities or approving the performance of services or contracts;

shall accept or receive, directly or indirectly, a personal financial benefit, or accept any gift, token, membership, or service, as a result of a purchase entered into by the state, from any person, firm, or corporation engaged in the sale, lease, or rental of property, material, supplies, equipment, commodities, or services to the state of Washington.

Violation of this section shall be considered a malfeasance and may cause loss of position, and the violator shall be liable to the state upon his or her official bond for all damages sustained by the state. Contracts involved may be canceled at the option of the state. Penalties provided in this section are not exclusive, and shall not bar action under any other statute penalizing the same act or omission.

Sec. 5066. RCW 43.19.200 and 1986 c 158 s 10 are each amended to read as follows:

(1) The governing authorities of the state's educational institutions, the elective state officers, the supreme court, the court of appeals, the administrative

and other departments of the state government, and all appointive officers of the state, shall prepare estimates of the supplies required for the proper conduct and maintenance of their respective institutions, offices, and departments, covering periods to be fixed by the director, and forward them to the director in accordance with his or her directions. No such authorities, officers, or departments, or any officer or employee thereof, may purchase any article for the use of their institutions, offices, or departments, except in case of emergency purchases as provided in subsection (2) of this section.

(2) The authorities, officers, and departments enumerated in subsection (1) of this section may make emergency purchases in response to unforeseen circumstances beyond the control of the agency which present a real, immediate, and extreme threat to the proper performance of essential functions or which may reasonably be expected to result in excessive loss or damage to property, bodily injury, or loss of life. When an emergency purchase is made, the agency head shall submit written notification of the purchase, within three days of the purchase, to the director of general administration. This notification shall contain a description of the purchase, description of the emergency and the circumstances leading up to the emergency, and an explanation of why the circumstances required an emergency purchase.

(3) Purchases made for the state's educational institutions, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other departments of the state government, and the offices of all appointive officers of the state, shall be paid for out of the moneys appropriated for supplies, material, and service of the respective institutions, offices, and departments.

(4) The director of general administration shall submit, on an annual basis, the written notifications required by subsection (2) of this section to the director of financial management.

Sec. 5067. RCW 43.19.595 and 1975 1st ex.s. c 167 s 9 are each amended to read as follows:

All passenger motor vehicles, property, facilities, equipment, credits, funds, and all other assets and obligations of the automobile pool and pertaining to passenger motor vehicles currently operated by the department of highways and funded by that portion of the highway equipment fund known as "District No. 8 (Motor Pool)" shall be transferred to the department of general administration on July 1, 1975. The director of general administration may accept such property prior thereto if he or she deems it expedient to accomplish an orderly transition.

Sec. 5068. RCW 43.19.600 and 1982 c 163 s 12 are each amended to read as follows:

(1) On or after July 1, 1975, any passenger motor vehicles currently owned or hereafter acquired by any state agency, except vehicles acquired from federal granted funds and over which the federal government retains jurisdiction and control, may be purchased by or transferred to the department of general administration with the consent of the state agency concerned. The director of general administration may accept vehicles subject to the provisions of RCW 43.19.560 through 43.19.630, 43.41.130 and 43.41.140 prior to July 1, 1975, if he or she deems it expedient to accomplish an orderly transition.

(2) The department, in cooperation with the office of financial management, shall study and ascertain current and prospective needs of state agencies for passenger motor vehicles and shall recommend transfer to a state motor pool or other appropriate disposition of any vehicle found not to be required by a state agency.

(3) The department shall direct the transfer of passenger motor vehicles from a state agency to a state motor pool or other disposition as appropriate, based on a study under subsection (2) of this section, or after a public hearing held by the department, if a finding is made based on testimony and data therein submitted that the economy, efficiency, or effectiveness of state government would be improved by such a transfer or other disposition of passenger motor vehicles. Any dispute over the accuracy of testimony and data submitted as to the benefits in state governmental economy, efficiency, and effectiveness to be gained by such transfer shall be resolved by the governor or the governor's designee.

Sec. 5069. RCW 43.19.620 and 1989 c 57 s 7 are each amended to read as follows:

The director of general administration, through the supervisor of motor transport, shall adopt, promulgate, and enforce such regulations as may be deemed necessary to accomplish the purpose of RCW 43.19.560 through 43.19.630, 43.41.130, and 43.41.140. Such regulations, in addition to other matters, shall provide authority for any agency director or his or her delegate to approve the use on official state business of personally owned or commercially owned rental passenger motor vehicles. Before such an authorization is made, it must first be reasonably determined that state owned passenger vehicles or other suitable transportation is not available at the time or location required or that the use of such other transportation would not be conducive to the economical, efficient, and effective conduct of business.

Such regulations shall be consistent with and shall carry out the objectives of the general policies and guidelines adopted by the office of financial management pursuant to RCW 43.41.130.

Sec. 5070. RCW 43.19.630 and 1989 c 57 s 8 are each amended to read as follows:

RCW 43.19.560 through 43.19.620, 43.41.130, and 43.41.140 shall not be construed to prohibit a state officer or employee from using his or her personal motor vehicle on state business and being reimbursed therefor, where permitted under state travel policies, rules, and regulations promulgated by the office of financial management, and where such use is in the interest of economic, efficient, and effective management and performance of official state business.

Sec. 5071. RCW 43.19.635 and 1975 1st ex.s. c 167 s 17 are each amended to read as follows:

(1) The governor, acting through the department of general administration and any other appropriate agency or agencies as he or she may direct, is empowered to utilize all reasonable means for detecting the unauthorized use of state owned motor vehicles, including the execution of agreements with the state patrol for compliance enforcement. Whenever such illegal use is discovered which involves a state employee, the employing agency shall proceed as provided by law to establish the amount, extent, and dollar value of any such

use, including an opportunity for notice and hearing for the employee involved. When such illegal use is so established, the agency shall assess its full cost of any mileage illegally used and shall recover such amounts by deductions from salary or allowances due to be paid to the offending official or employee by other means. Recovery of costs by the state under this subsection shall not preclude disciplinary or other action by the appropriate appointing authority or employing agency under subsection (2) of this section.

(2) Any wilful and knowing violation of any provision of RCW 43.19.560 through 43.19.620, 43.41.130 and 43.41.140 shall subject the state official or employee committing such violation to disciplinary action by the appropriate appointing or employing agency. Such disciplinary action may include, but shall not be limited to, suspension without pay, or termination of employment in the case of repeated violations.

(3) Any casual or inadvertent violation of RCW 43.19.560 through 43.19.620, 43.41.130 and 43.41.140 may subject the state official or employee committing such violation to disciplinary action by the appropriate appointing authority or employing agency. Such disciplinary action may include, but need not be limited to, suspension without pay.

Sec. 5072. RCW 43.20.030 and 2006 c 238 s 1 are each amended to read as follows:

The state board of health shall be composed of ten members. These shall be the secretary or the secretary's designee and nine other persons to be appointed by the governor, including four persons experienced in matters of health and sanitation, one of whom is a health official from a federally recognized tribe; an elected city official who is a member of a local health board; an elected county official who is a member of a local health board; a local health officer; and two persons representing the consumers of health care. Before appointing the city official, the governor shall consider any recommendations submitted by the association of Washington cities. Before appointing the county official, the governor shall consider any recommendations submitted by the Washington state association of counties. Before appointing the local health officer, the governor shall consider any recommendations submitted by the Washington state association of local public health officials. Before appointing one of the two consumer representatives, the governor shall consider any recommendations submitted by the state council on aging. The ~~((chairman))~~ chair shall be selected by the governor from among the nine appointed members. The department of health shall provide necessary technical staff support to the board. The board may employ an executive director and a confidential secretary, each of whom shall be exempt from the provisions of the state civil service law, chapter 41.06 RCW.

Members of the board shall be compensated in accordance with RCW 43.03.240 and shall be reimbursed for their travel expenses in accordance with RCW 43.03.050 and 43.03.060.

Sec. 5073. RCW 43.20A.040 and 1970 ex.s. c 18 s 4 are each amended to read as follows:

The executive head and appointing authority of the department shall be the secretary of social and health services. He or she shall be appointed by the governor with the consent of the senate, and shall serve at the pleasure of the

governor. He or she shall be paid a salary to be fixed by the governor in accordance with the provisions of RCW 43.03.040. If a vacancy occurs in his or her position while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate, when he or she shall present to that body his or her nomination for the office.

Sec. 5074. RCW 43.20A.110 and 1970 ex.s. c 18 s 9 are each amended to read as follows:

The secretary may delegate any power or duty vested in or transferred to him or her by law, or executive order, to his or her deputy secretary or to any other assistant or subordinate; but the secretary shall be responsible for the official acts of the officers and employees of the department.

Sec. 5075. RCW 43.20A.310 and 1979 c 141 s 65 are each amended to read as follows:

In addition to his or her other powers and duties, the secretary or his or her designee, shall have the following powers and duties:

- (1) To prepare, adopt and certify the state plan for vocational rehabilitation;
- (2) With respect to vocational rehabilitation, to adopt necessary rules and regulations and do such other acts not forbidden by law necessary to carry out the duties imposed by state law and the federal acts;
- (3) To carry out the aims and purposes of the acts of congress pertaining to vocational rehabilitation.

Sec. 5076. RCW 43.20A.320 and 1970 ex.s. c 18 s 43 are each amended to read as follows:

The secretary or his or her designee shall consult with the coordinating council for occupational education in order to maintain close contact with developing programs of vocational education, particularly as such programs may affect programs undertaken in connection with vocational rehabilitation.

Sec. 5077. RCW 43.20A.415 and 1971 ex.s. c 309 s 4 are each amended to read as follows:

When, pursuant to RCW 43.20A.400 through 43.20A.430, the secretary elects to purchase a service or services, he or she shall retain continuing basic responsibility for:

- (1) Determining the eligibility of individuals for services;
- (2) The selection, quality, effectiveness, and execution of a plan or program of services suited to the need of an individual or of a group of individuals; and
- (3) Measuring the cost effectiveness of purchase of services.

Sec. 5078. RCW 43.20A.605 and 1989 c 175 s 97 are each amended to read as follows:

(1) The secretary shall have full authority to administer oaths and take testimony thereunder, to issue subpoenas requiring the attendance of witnesses before him or her together with all books, memoranda, papers, and other documents, articles or instruments, and to compel the disclosure by such witnesses of all facts known to them relative to the matters under investigation.

(2) Subpoenas issued in adjudicative proceedings are governed by RCW 34.05.588(1).

(3) Subpoenas issued in the conduct of investigations required or authorized by other statutory provisions or necessary in the enforcement of other statutory provisions shall be governed by RCW 34.05.588(2).

Sec. 5079. RCW 43.20A.635 and 1979 c 141 s 52 are each amended to read as follows:

It shall be the duty of the secretary of social and health services and he or she shall have the power to establish and administer a program of services for children who are crippled or who are suffering from physical conditions which lead to crippling, which shall provide for developing, extending, and improving services for locating such children, and for providing for medical, surgical, corrective, and other services and care, and facilities for diagnosis, hospitalization, and after care; to supervise the administration of those services, included in the program, which are not administered directly by it; to extend and improve any such services, including those in existence on April 1, 1941; to cooperate with medical, health, nursing, and welfare groups and organizations, and with any agency of the state charged with the administration of laws providing for vocational rehabilitation of physically handicapped children; to cooperate with the federal government, through its appropriate agency or instrumentality in developing, extending, and improving such services; and to receive and expend all funds made available to the department by the federal government, the state or its political subdivisions or from other sources, for such purposes.

Sec. 5080. RCW 43.20A.660 and 1989 1st ex.s. c 9 s 215 are each amended to read as follows:

(1) It shall be the duty of each assistant attorney general, prosecuting attorney, or city attorney to whom the secretary reports any violation of chapter 43.20A RCW, or regulations promulgated thereunder, to cause appropriate proceedings to be instituted in the proper courts, without delay, and to be duly prosecuted as prescribed by law.

(2) Before any violation of chapter 43.20A RCW is reported by the secretary to the prosecuting attorney for the institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his or her views to the secretary, either orally or in writing, with regard to such contemplated proceeding.

Sec. 5081. RCW 43.21A.050 and 1970 ex.s. c 62 s 5 are each amended to read as follows:

The executive and administrative head of the department shall be the director. The director shall be appointed by the governor with the consent of the senate. He or she shall have complete charge of and supervisory powers over the department. He or she shall be paid a salary fixed by the governor in accordance with the provisions of RCW 43.03.040. If a vacancy occurs in the position of director while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate at which time he or she shall present to that body his or her nomination for the position.

Sec. 5082. RCW 43.21A.067 and 1987 c 109 s 27 are each amended to read as follows:

The director of ecology may create within his or her department a fund to be known as the "basic data fund."

Into such fund shall be deposited all moneys contributed by persons for stream flow, groundwater and water quality data or other hydrographic information furnished by the department in cooperation with the United States

geological survey, and the fund shall be expended on a matching basis with the United States geological survey for the purpose of obtaining additional basic information needed for an intelligent inventory of water resources in the state.

Disbursements from the basic data fund shall be on vouchers approved by the department and the district engineer of the United States geological survey.

Sec. 5083. RCW 43.21A.090 and 1970 ex.s. c 62 s 9 are each amended to read as follows:

All powers, duties and functions transferred to the department by the terms of chapter 62, Laws of 1970 ex. sess. shall be performed by the director: PROVIDED, That the director may delegate, by appropriate rule or regulation, the performance of such of his or her powers, duties, and functions, other than those relating to the adoption, amendment or rescission of rules and regulations, to employees of the department whenever it appears desirable in fulfilling the policy and purposes of this chapter.

Sec. 5084. RCW 43.21A.100 and 1970 ex.s. c 62 s 10 are each amended to read as follows:

In order to obtain maximum efficiency and effectiveness within the department, the director may create such administrative divisions within the department as he or she deems necessary. The director shall appoint a deputy director as well as such assistant directors as shall be needed to administer the several divisions within the department. The deputy director shall have charge and general supervision of the department in the absence or disability of the director. In the case of a vacancy in the office of director, the deputy director shall administer the department until the governor appoints a successor to the director or an acting director. The officers appointed under this section and exempt from the provisions of the state civil service law as provided in RCW 41.06.073, shall be paid salaries to be fixed by the governor in accordance with the procedure established by law for the fixing of salaries for officers exempt from the operation of the state civil service law.

Sec. 5085. RCW 43.21A.140 and 1979 c 141 s 67 are each amended to read as follows:

The director in carrying out his or her powers and duties under this chapter shall consult with the department of social and health services and the state board of health, or their successors, insofar as necessary to assure that those agencies concerned with the preservation of life and health may integrate their efforts to the fullest extent possible and endorse policies in common.

Sec. 5086. RCW 43.21A.600 and 1988 c 127 s 8 are each amended to read as follows:

The department shall make studies and surveys, collect, compile and disseminate information and statistics to facilitate development of the electric power resources of the state by public utility districts, municipalities, electric cooperatives, joint operating agencies and public utility companies. The director may cause studies to be made relating to the construction of steam generating plants using any available fuel and their integration with hydro-electric facilities. He or she may cause designs for any such plant to be prepared. He or she shall employ such engineers and other experts and assistants as may be necessary to carry out his or her power resources functions.

Sec. 5087. RCW 43.21A.605 and 1988 c 127 s 9 are each amended to read as follows:

The director may represent the state and aid and assist the public utilities therein to the end that its resources shall be properly developed in the public interest insofar as they affect electric power and to this end he or she shall cooperate and may negotiate with Canada, the United States, the states thereof and their agencies to develop and integrate the resources of the region.

Sec. 5088. RCW 43.21A.610 and 1988 c 127 s 10 are each amended to read as follows:

The director shall continue the study of the state power commission made in 1956 relating to the construction of a steam power electric generating plant, and if the construction of a steam electric generating plant is found to be feasible by the director, the director may construct such plant at a site determined by him or her to be feasible and operate it as a state owned facility.

Sec. 5089. RCW 43.21A.620 and 1988 c 127 s 15 are each amended to read as follows:

For the purposes provided for in RCW 43.21A.610 through 43.21A.642, the state finance committee shall, upon being notified to do so by the director, issue revenue bonds or warrants payable from the revenues from the steam electric plant provided for in RCW 43.21A.610. When the director deems it advisable that he or she acquire or construct said steam electric plant or make additions or betterments thereto, he or she shall so notify the state finance committee and he or she shall also notify the state finance committee as to the plan proposed, together with the estimated cost thereof. The state finance committee, upon receiving such notice, shall provide for the construction thereof and the issuance of revenue bonds or warrants therefor by a resolution which shall specify and adopt the system or plan proposed, and declare the estimated cost thereof, as nearly as may be, including as part of the cost, funds necessary for working capital for the operation of such utility and the payment of the expenses incurred in the acquisition or construction thereof. Such resolution shall specify that utility revenue bonds are to be issued to defray the cost thereof and the amount of such bonds to be issued. Bonds issued under the provisions of RCW 43.21A.610 through 43.21A.642 shall distinctly state that they are not a general obligation of the state.

Sec. 5090. RCW 43.21A.630 and 1965 c 8 s 43.21.350 are each amended to read as follows:

Prior to the issuance and delivery of any revenue bonds, such bonds and a certified copy of the resolution authorizing them shall be delivered to the state auditor together with any additional information that he or she may require. When the bonds have been examined they shall be registered by the auditor in books to be kept by him or her for that purpose, and a certificate of registration shall be endorsed upon each bond and signed by the auditor or a deputy appointed by him or her for the purpose. The bonds shall then be prima facie valid and binding obligations of the state finance committee in accordance with their terms, notwithstanding any defects or irregularities in the authorization and issuance of the bonds, or in the sale, execution or delivery thereof.

Sec. 5091. RCW 43.21B.020 and 1970 ex.s. c 62 s 32 are each amended to read as follows:

The hearings board shall consist of three members qualified by experience or training in pertinent matters pertaining to the environment, and at least one member of the hearings board shall have been admitted to practice law in this state and engaged in the legal profession at the time of his or her appointment. The hearings board shall be appointed by the governor with the advice and consent of the senate, and no more than two of whom at the time of appointment or during their term shall be members of the same political party.

Sec. 5092. RCW 43.21B.050 and 1975-'76 2nd ex.s. c 34 s 101 are each amended to read as follows:

The hearings board shall operate on either a part time or a full time basis, as determined by the governor. If it is determined that the hearings board shall operate on a full time basis, each member of the hearings board shall receive an annual salary to be determined by the governor pursuant to RCW 43.03.040. If it is determined the hearings board shall operate on a part time basis, each member of the hearings board shall receive compensation on the basis of seventy-five dollars for each day spent in performance of his or her duties but such compensation shall not exceed ten thousand dollars in a fiscal year. Each hearings board member shall receive reimbursement for travel expenses incurred in the discharge of his or her duties in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

Sec. 5093. RCW 43.21B.060 and 1970 ex.s. c 62 s 36 are each amended to read as follows:

Each member of the hearings board: (1) Shall not be a candidate for nor hold any other public office or trust, and shall not engage in any occupation or business interfering with or inconsistent with his or her duty as a member of the hearings board, nor shall he or she serve on or under any committee of any political party; and (2) shall not for a period of one year after the termination of his or her membership on the hearings board, act in a representative capacity before the hearings board on any matter.

Sec. 5094. RCW 43.21B.080 and 1970 ex.s. c 62 s 38 are each amended to read as follows:

The hearings board shall as soon as practicable after the initial appointment of the members thereof, meet and elect from among its members a ((~~chairman~~)) chair, and shall at least biennially thereafter meet and elect such a ((~~chairman~~)) chair.

Sec. 5095. RCW 43.21C.010 and 1971 ex.s. c 109 s 1 are each amended to read as follows:

The purposes of this chapter are: (1) To declare a state policy which will encourage productive and enjoyable harmony between ((~~man~~)) humankind and ((~~his~~)) the environment; (2) to promote efforts which will prevent or eliminate damage to the environment and biosphere; (3) and stimulate the health and welfare of ((~~man~~)) human beings; and (4) to enrich the understanding of the ecological systems and natural resources important to the state and nation.

Sec. 5096. RCW 43.21C.020 and 1971 ex.s. c 109 s 2 are each amended to read as follows:

(1) The legislature, recognizing that ((~~man~~)) a human being depends on ((~~his~~)) biological and physical surroundings for food, shelter, and other needs, and for cultural enrichment as well; and recognizing further the profound impact of ((~~man's~~)) a human being's activity on the interrelations of all components of the natural environment, particularly the profound influences of population growth, high-density urbanization, industrial expansion, resource utilization and exploitation, and new and expanding technological advances and recognizing further the critical importance of restoring and maintaining environmental quality to the overall welfare and development of ((~~man~~)) human beings, declares that it is the continuing policy of the state of Washington, in cooperation with federal and local governments, and other concerned public and private organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to: (a) Foster and promote the general welfare; (b) ((~~to~~)) create and maintain conditions under which ((~~man~~)) human beings and nature can exist in productive harmony; and (c) fulfill the social, economic, and other requirements of present and future generations of Washington citizens.

(2) In order to carry out the policy set forth in this chapter, it is the continuing responsibility of the state of Washington and all agencies of the state to use all practicable means, consistent with other essential considerations of state policy, to improve and coordinate plans, functions, programs, and resources to the end that the state and its citizens may:

(a) Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(b) Assure for all people of Washington safe, healthful, productive, and aesthetically and culturally pleasing surroundings;

(c) Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

(d) Preserve important historic, cultural, and natural aspects of our national heritage;

(e) Maintain, wherever possible, an environment which supports diversity and variety of individual choice;

(f) Achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and

(g) Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

(3) The legislature recognizes that each person has a fundamental and inalienable right to a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

Sec. 5097. RCW 43.21E.010 and 1975 1st ex.s. c 44 s 1 are each amended to read as follows:

Within thirty days of May 15, 1975 the director of the Washington state department of ecology shall appoint a grass burning research advisory committee consisting of five voting members.

Two members shall be grass growers selected from the area of the state east of the Cascade mountain range, one representing irrigated and one representing dryland growing areas. One member shall be a grass grower selected from the area of the state west of the Cascade mountain range. One member shall be a representative of the Washington state department of agriculture, and one member shall represent the public, and may be selected at large. The committee shall select its own ((~~chairman~~)) chair. The state department of ecology shall provide an ex officio, nonvoting member to the committee to act as secretary.

Sec. 5098. RCW 43.21F.405 and 1969 c 9 s 2 are each amended to read as follows:

The board member from Washington shall be appointed by and shall serve at the pleasure of the governor. The board member may designate another person as his or her representative to attend meetings of the board.

Sec. 5099. RCW 43.21G.080 and 1977 ex.s. c 328 s 8 are each amended to read as follows:

The governor may order any distributor to take such action on his or her behalf as may be required to implement orders issued pursuant to this chapter as now or hereafter amended: PROVIDED, That orders to regulated distributors shall be issued by the Washington utilities and transportation commission in conformance with orders of the governor. No distributor shall be liable for actions taken in accordance with such orders issued by the governor or the Washington utilities and transportation commission.

All allocations of energy from one distributor to another distributor pursuant to orders issued or as a result of actions taken under this chapter as now or hereafter amended are subject to fair and just reimbursement. Such reimbursement for any allocation of energy between regulated distributors shall be subject to the approval of the Washington utilities and transportation commission. A distributor is authorized to enter into agreements with another distributor for the purpose of determining financial or commodity reimbursement.

Sec. 5100. RCW 43.22.310 and 1965 c 8 s 43.22.310 are each amended to read as follows:

The director or any employee of the department of labor and industries may enter any factory, mill, office, workshop, or public or private works at any time for the purpose of gathering facts and statistics as provided by this chapter, and examine into the methods of protection from danger to employees, and the sanitary conditions in and around such buildings and places and make a record thereof, and any owner or occupant of such factory, mill, office or workshop, or public or private works, or his or her agent who refuses to allow an inspector or employee of the department to enter, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not less than twenty-five dollars nor more than one hundred dollars, or be imprisoned in the county jail not to exceed ninety days.

Sec. 5101. RCW 43.22.400 and 1995 c 280 s 11 are each amended to read as follows:

If the director of the department of labor and industries determines that the standards for body and frame design, construction and the plumbing, heating and electrical equipment installed in mobile homes, commercial coaches,

recreational vehicles, and/or park trailers by the statutes or rules and regulations of other states are at least equal to the standards prescribed by this state, he or she may so provide by regulation. Any mobile home, commercial coach, recreational vehicle, and/or park trailer which a state listed in such regulations has approved as meeting its standards for body and frame design, construction and plumbing, heating and electrical equipment shall be deemed to meet the standards of the director of the department of labor and industries, if he or she determines that the standards of such state are actually being enforced.

Sec. 5102. RCW 43.22.485 and 1973 1st ex.s. c 22 s 6 are each amended to read as follows:

If the director of the department determines that the standards for factory built housing or factory built commercial structures prescribed by statute, rule or regulation of another state are at least equal to the regulations prescribed under RCW 43.22.450 through 43.22.490, and that such standards are actually enforced by such other state, he or she may provide by regulation that factory built housing or factory built commercial structures approved by such other state shall be deemed to have been approved by the department.

Sec. 5103. RCW 43.23.015 and 1983 c 248 s 4 are each amended to read as follows:

Except for the functions specified in RCW 43.23.070, the director may, at his or her discretion, reassign any of the functions delegated to the various divisions of the department under the provisions of this chapter or any other law to any other division of the department.

Sec. 5104. RCW 43.23.090 and 1983 c 248 s 8 are each amended to read as follows:

The director of agriculture shall exercise all powers and perform all duties prescribed by law with respect to the inspection of foods, food products, drinks, milk and milk products, and dairies and dairy products and the components thereof.

He or she shall enforce and supervise the administration of all laws relating to foods, food products, drinks, milk and milk products, dairies and dairy products, and their inspection, manufacture, and sale.

Sec. 5105. RCW 43.23.110 and 1983 c 248 s 9 are each amended to read as follows:

The director of agriculture shall exercise all powers and perform all duties prescribed by law with respect to grains, grain and hay products, grain and terminal warehouses, commercial feeds, commercial fertilizers, and chemical pesticides.

He or she shall enforce and supervise the administration of all laws relating to grains, grain and hay products, grain and terminal warehouses, commercial feeds, commercial fertilizers, and chemical pesticides.

Sec. 5106. RCW 43.23.120 and 1977 c 75 s 50 are each amended to read as follows:

The director of agriculture may publish and distribute bulletins and reports embodying information upon the subjects of agriculture, horticulture, livestock, dairying, foods and drugs, and other matters pertaining to his or her department.

Sec. 5107. RCW 43.23.130 and 1977 c 75 s 51 are each amended to read as follows:

The director of agriculture shall make an annual report to the governor containing an account of all matters pertaining to his or her department and its administration.

Sec. 5108. RCW 43.23.160 and 1983 c 248 s 10 are each amended to read as follows:

The director of agriculture shall exercise all the powers and perform all the duties prescribed by law relating to commission merchants, livestock identification, livestock brand registration and inspection. All officers appointed to enforce these laws who have successfully completed a course of training prescribed by the Washington state criminal justice training commission shall have the authority generally vested in a peace officer solely for the purpose of enforcing these laws.

He or she shall enforce and supervise the administration of all laws relating to commission merchants, livestock identification and shall have the power to enforce all laws relating to any division under the supervision of the director of agriculture.

Sec. 5109. RCW 43.24.090 and 1965 c 8 s 43.24.090 are each amended to read as follows:

Any person taking any written examination prescribed or authorized by law, for a license or permit to practice any trade, occupation, or profession, who, because of any handicap, is unable to write the examination himself or herself, may dictate it to and have it written or typed by another, to the same effect as though the examination were written out by himself or herself. Any expense connected therewith shall be borne by the person taking the examination.

Sec. 5110. RCW 43.24.115 and 1965 c 100 s 6 are each amended to read as follows:

The director may deputize one or more of his or her assistants to perform his or her duties with reference to refusal, revocation or suspension of licenses, including the power to preside at hearings and to render decisions therein subject to the approval of the director.

Sec. 5111. RCW 43.27A.190 and 1987 c 109 s 11 are each amended to read as follows:

Notwithstanding and in addition to any other powers granted to the department of ecology, whenever it appears to the department that a person is violating or is about to violate any of the provisions of the following:

- (1) Chapter 90.03 RCW; or
- (2) Chapter 90.44 RCW; or
- (3) Chapter 86.16 RCW; or
- (4) Chapter 43.37 RCW; or
- (5) Chapter 43.27A RCW; or
- (6) Any other law relating to water resources administered by the department; or
- (7) A rule or regulation adopted, or a directive or order issued by the department relating to subsections (1) through (6) of this section; the department may cause a written regulatory order to be served upon said person either personally, or by registered or certified mail delivered to addressee only with

return receipt requested and acknowledged by him or her. The order shall specify the provision of the statute, rule, regulation, directive or order alleged to be or about to be violated, and the facts upon which the conclusion of violating or potential violation is based, and shall order the act constituting the violation or the potential violation to cease and desist or, in appropriate cases, shall order necessary corrective action to be taken with regard to such acts within a specific and reasonable time. The regulation of a headgate or controlling works as provided in RCW 90.03.070, by a watermaster, stream ~~((patrolman))~~ patrol officer, or other person so authorized by the department shall constitute a regulatory order within the meaning of this section. A regulatory order issued hereunder shall become effective immediately upon receipt by the person to whom the order is directed, except for regulations under RCW 90.03.070 which shall become effective when a written notice is attached as provided therein. Any person aggrieved by such order may appeal the order pursuant to RCW 43.21B.310.

Sec. 5112. RCW 43.33.040 and 1965 c 8 s 43.33.040 are each amended to read as follows:

The state finance committee may make appropriate rules and regulations for the performance of its duties. The state treasurer shall act as ~~((chairman))~~ chair of the committee.

Sec. 5113. RCW 43.37.050 and 1973 c 64 s 4 are each amended to read as follows:

In the case of hearings pursuant to RCW 43.37.180 the department shall, and in other cases may, cause a record of the proceedings to be taken and filed with the department, together with its findings and conclusions. For any hearing, the director of the department or a representative designated by him or her is authorized to administer oaths and affirmations, examine witnesses, and issue, in the name of the department, notice of the hearing or subpoenas requiring any person to appear and testify, or to appear and produce documents, or both, at any designated place.

Sec. 5114. RCW 43.37.120 and 1973 c 64 s 10 are each amended to read as follows:

A separate permit shall be issued for each operation. Prior to undertaking any weather modification and control activities the licensee shall file with the department and also cause to be published a notice of intention. The licensee, if a permit is issued, shall confine his or her activities for the permitted operation within the time and area limits set forth in the notice of intention, unless modified by the department; and his or her activities shall also conform to any conditions imposed by the department upon the issuance of the permit or to the terms of the permit as modified after issuance.

Sec. 5115. RCW 43.37.150 and 1973 c 64 s 12 are each amended to read as follows:

Proof of financial responsibility may be furnished by an applicant by his or her showing, to the satisfaction of the department, his or her ability to respond in damages for liability which might reasonably be attached to or result from his or her weather modification and control activities in connection with the operation for which he or she seeks a permit.

Sec. 5116. RCW 43.37.160 and 1973 c 64 s 13 are each amended to read as follows:

The fee to be paid by each applicant for a permit shall be equivalent to one and one-half percent of the estimated cost of such operation, the estimated cost to be computed by the department from the evidence available to it. The fee is due and payable to the department as of the date of the issuance of the permit; however, if the applicant is able to give to the department satisfactory security for the payment of the balance, he or she may be permitted to commence the operation, and a permit may be issued therefor, upon the payment of not less than fifty percent of the fee. The balance due shall be paid within three months from the date of the termination of the operation as prescribed in the permit. Failure to pay a permit fee as required shall be grounds for suspension or revocation of the license of the delinquent permit holder and grounds for refusal to renew his or her license or to issue any further permits to such person.

Sec. 5117. RCW 43.37.170 and 1973 c 64 s 14 are each amended to read as follows:

(1) Every licensee shall keep and maintain a record of all operations conducted by him or her pursuant to his or her license and each permit, showing the method employed, the type of equipment used, materials and amounts thereof used, the times and places of operation of the equipment, the name and post office address of each individual participating or assisting in the operation other than the licensee, and such other general information as may be required by the department and shall report the same to the department at the time and in the manner required.

(2) The department shall require written reports in such manner as it provides but not inconsistent with the provisions of this chapter, covering each operation for which a permit is issued. Further, the department shall require written reports from such organizations as are exempted from license, permit, and liability requirements as provided in RCW 43.37.090.

(3) The reports and records in the custody of the department shall be open for public examination.

Sec. 5118. RCW 43.41.060 and 1979 c 151 s 112 are each amended to read as follows:

The executive head of the office of financial management shall be the director, who shall be appointed by the governor with the consent of the senate, and who shall serve at the pleasure of the governor. He or she shall be paid a salary to be fixed by the governor in accordance with the provisions of RCW 43.03.040. If a vacancy occurs in his or her position while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate, when he or she shall present to that body his or her nomination for the office. The director may delegate such of his or her powers, duties and functions to other officers and employees of the department as he or she may deem necessary to the fulfillment of the purposes of this chapter.

Sec. 5119. RCW 43.41.100 and 1979 c 151 s 114 are each amended to read as follows:

The director of financial management shall:

(1) Supervise and administer the activities of the office of financial management.

(2) Exercise all the powers and perform all the duties prescribed by law with respect to the administration of the state budget and accounting system.

(3) Advise the governor and the legislature with respect to matters affecting program management and planning.

(4) Make efficiency surveys of all state departments and institutions, and the administrative and business methods pursued therein, examine into the physical needs and industrial activities thereof, and make confidential reports to the governor, recommending necessary betterments, repairs, and the installation of improved and more economical administrative methods, and advising such action as will result in a greater measure of self-support and remedies for inefficient functioning.

The director may enter into contracts on behalf of the state to carry out the purposes of this chapter; he or she may act for the state in the initiation of or participation in any multi-governmental agency program relative to the purposes of this chapter; and he or she may accept gifts and grants, whether such grants be of federal or other funds.

Sec. 5120. RCW 43.41.106 and 1979 c 151 s 117 are each amended to read as follows:

The director of financial management may, in his or her discretion, require any person presenting an account for settlement to be sworn before him or her, and to answer, orally or in writing, as to any facts relating to it.

Sec. 5121. RCW 43.41.360 and 1975 c 40 s 13 are each amended to read as follows:

In addition to other powers and duties prescribed by this chapter, the director shall:

(1) Fix the amount of bond to be given by each appointive state officer and each employee of the state in all cases where it is not fixed by law;

(2) Require the giving of an additional bond, or a bond in a greater amount than provided by law, in all cases where in his or her judgment the statutory bond is not sufficient in amount to cover the liabilities of the officer or employee;

(3) Exempt subordinate employees from giving bond when in his or her judgment their powers and duties are such as not to require a bond.

Sec. 5122. RCW 43.43.040 and 1998 c 194 s 1 are each amended to read as follows:

(1) The chief of the Washington state patrol shall relieve from active duty Washington state patrol officers who, while in the performance of their official duties, or while on standby or available for duty, have been or hereafter may be injured or incapacitated to such an extent as to be mentally or physically incapable of active service: PROVIDED, That:

(a) Any officer disabled while performing line duty who is found by the chief to be physically incapacitated shall be placed on disability leave for a period not to exceed six months from the date of injury or the date incapacitated. During this period, the officer shall be entitled to all pay, benefits, insurance, leave, and retirement contributions awarded to an officer on active status, less any compensation received through the department of labor and industries. No such disability leave shall be approved until an officer has been unavailable for duty for more than forty consecutive work hours. Prior to the end of the six-

month period, the chief shall either place the officer on disability status or return the officer to active status.

For the purposes of this section, "line duty" is active service which encompasses the traffic law enforcement duties and/or other law enforcement responsibilities of the state patrol. These activities encompass all enforcement practices of the laws, accident and criminal investigations, or actions requiring physical exertion or exposure to hazardous elements.

The chief shall define by rule the situations where a disability has occurred during line duty;

(b) Benefits under this section for a disability that is incurred while in other employment will be reduced by any amount the officer receives or is entitled to receive from workers' compensation, social security, group insurance, other pension plan, or any other similar source provided by another employer on account of the same disability;

(c) An officer injured while engaged in willfully tortious or criminal conduct shall not be entitled to disability benefits under this section; and

(d) Should a disability beneficiary whose disability was not incurred in line of duty, prior to attaining age fifty, engage in a gainful occupation, the chief shall reduce the amount of his or her retirement allowance to an amount which when added to the compensation earned by him or her in such occupation shall not exceed the basic salary currently being paid for the rank the retired officer held at the time he or she was disabled. All such disability beneficiaries under age fifty shall file with the chief every six months a signed and sworn statement of earnings and any person who shall knowingly swear falsely on such statement shall be subject to prosecution for perjury. Should the earning capacity of such beneficiary be further altered, the chief may further alter his or her disability retirement allowance as indicated above. The failure of any officer to file the required statement of earnings shall be cause for cancellation of retirement benefits.

(2) Officers on disability status shall receive one-half of their compensation at the existing wage, during the time the disability continues in effect, less any compensation received through the department of labor and industries. They shall be subject to mental or physical examination at any state institution or otherwise under the direction of the chief of the patrol at any time during such relief from duty to ascertain whether or not they are able to resume active duty.

Sec. 5123. RCW 43.43.110 and 1965 c 8 s 43.43.110 are each amended to read as follows:

If as a result of any trial board hearing, or review proceeding, an officer complained of is found not guilty of the charges against him or her, he or she shall be immediately reinstated to his or her former position, and be reimbursed for any loss of salary suffered by reason of the previous disciplinary action.

Sec. 5124. RCW 43.43.120 and 2001 c 329 s 3 are each amended to read as follows:

As used in the following sections, unless a different meaning is plainly required by the context:

(1) "Retirement system" means the Washington state patrol retirement system.

(2) "Retirement fund" means the Washington state patrol retirement fund.

(3) "State treasurer" means the treasurer of the state of Washington.

(4) "Member" means any person included in the membership of the retirement fund.

(5) "Employee" means any commissioned employee of the Washington state patrol.

(6)(a) "Cadet," for a person who became a member of the retirement system after June 12, 1980, is a person who has passed the Washington state patrol's entry-level oral, written, physical performance, and background examinations and is, thereby, appointed by the chief as a candidate to be a commissioned officer of the Washington state patrol.

(b) "Cadet," for a person who became a member of the retirement system before June 12, 1980, is a trooper cadet, patrol cadet, or employee of like classification, employed for the express purpose of receiving the on-the-job training required for attendance at the state patrol academy and for becoming a commissioned trooper. "Like classification" includes: Radio operators or dispatchers; persons providing security for the governor or legislature; ~~((patrolmen))~~ patrol officers; drivers' license examiners; weighmasters; vehicle safety inspectors; central wireless operators; and ~~((warehousemen))~~ warehouse workers.

(7) "Beneficiary" means any person in receipt of retirement allowance or any other benefit allowed by this chapter.

(8) "Regular interest" means interest compounded annually at such rates as may be determined by the director.

(9) "Retirement board" means the board provided for in this chapter.

(10) "Insurance commissioner" means the insurance commissioner of the state of Washington.

(11) "Lieutenant governor" means the lieutenant governor of the state of Washington.

(12) "Service" shall mean services rendered to the state of Washington or any political subdivisions thereof for which compensation has been paid. Full time employment for seventy or more hours in any given calendar month shall constitute one month of service. An employee who is reinstated in accordance with RCW 43.43.110 shall suffer no loss of service for the period reinstated subject to the contribution requirements of this chapter. Only months of service shall be counted in the computation of any retirement allowance or other benefit provided for herein. Years of service shall be determined by dividing the total number of months of service by twelve. Any fraction of a year of service as so determined shall be taken into account in the computation of such retirement allowance or benefit.

(13) "Prior service" shall mean all services rendered by a member to the state of Washington, or any of its political subdivisions prior to August 1, 1947, unless such service has been credited in another public retirement or pension system operating in the state of Washington.

(14) "Current service" shall mean all service as a member rendered on or after August 1, 1947.

(15)(a) "Average final salary," for members commissioned prior to January 1, 2003, shall mean the average monthly salary received by a member during the member's last two years of service or any consecutive two-year period of service, whichever is the greater, as an employee of the Washington state patrol;

or if the member has less than two years of service, then the average monthly salary received by the member during the member's total years of service.

(b) "Average final salary," for members commissioned on or after January 1, 2003, shall mean the average monthly salary received by a member for the highest consecutive sixty service credit months; or if the member has less than sixty months of service, then the average monthly salary received by the member during the member's total months of service.

(16) "Actuarial equivalent" shall mean a benefit of equal value when computed upon the basis of such mortality table as may be adopted and such interest rate as may be determined by the director.

(17) Unless the context expressly indicates otherwise, words importing the masculine gender shall be extended to include the feminine gender and words importing the feminine gender shall be extended to include the masculine gender.

(18) "Director" means the director of the department of retirement systems.

(19) "Department" means the department of retirement systems created in chapter 41.50 RCW.

(20) "State actuary" or "actuary" means the person appointed pursuant to RCW 44.44.010(2).

(21) "Contributions" means the deduction from the compensation of each member in accordance with the contribution rates established under chapter 41.45 RCW.

(22) "Annual increase" means as of July 1, 1999, seventy-seven cents per month per year of service which amount shall be increased each subsequent July 1st by three percent, rounded to the nearest cent.

(23)(a) "Salary," for members commissioned prior to July 1, 2001, shall exclude any overtime earnings related to RCW 47.46.040, or any voluntary overtime, earned on or after July 1, 2001.

(b) "Salary," for members commissioned on or after July 1, 2001, shall exclude any overtime earnings related to RCW 47.46.040 or any voluntary overtime, lump sum payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, holiday pay, or any form of severance pay.

(24) "Plan 2" means the Washington state patrol retirement system plan 2, providing the benefits and funding provisions covering commissioned employees who first become members of the system on or after January 1, 2003.

Sec. 5125. RCW 43.43.130 and 1994 c 197 s 33 are each amended to read as follows:

(1) A Washington state patrol retirement fund is hereby established for members of the Washington state patrol which shall include funds created and placed under the management of a retirement board for the payment of retirement allowances and other benefits under the provisions hereof.

(2) Any employee of the Washington state patrol, upon date of commissioning, shall be eligible to participate in the retirement plan and shall start contributing to the fund immediately. Any employee of the Washington state patrol employed by the state of Washington or any of its political subdivisions prior to August 1, 1947, unless such service has been credited in another public retirement or pension system operating in the state of Washington shall receive full credit for such prior service but after that date each new

commissioned employee must automatically participate in the fund. If a member shall terminate service in the patrol and later reenter, he or she shall be treated in all respects as a new employee.

(3)(a) A member who reenters or has reentered service within ten years from the date of his or her termination, shall upon completion of six months of continuous service and upon the restoration of all withdrawn contributions, plus interest as determined by the director, which restoration must be completed within five years after resumption of service, be returned to the status of membership he or she earned at the time of termination.

(b) A member who does not meet the time limitations for restoration under (a) of this subsection, may restore the service credit destroyed by the withdrawn contributions by paying the amount required under RCW 41.50.165(2) prior to retirement.

(4)(a) An employee of the Washington state patrol who becomes a member of the retirement system after June 12, 1980, and who has service as a cadet in the patrol training program may make an irrevocable election to transfer the service to the retirement system. Any member upon making such election shall have transferred all existing service credited in a prior public retirement system in this state for periods of employment as a cadet. Transfer of credit under this subsection is contingent on completion of the transfer of funds specified in (b) of this subsection.

(b) Within sixty days of notification of a member's cadet service transfer as provided in (a) of this subsection, the department of retirement systems shall transfer the employee's accumulated contributions attributable to the periods of service as a cadet, including accumulated interest.

(5) A member of the retirement system who has served or shall serve on active federal service in the armed forces of the United States pursuant to and by reason of orders by competent federal authority, who left or shall leave the Washington state patrol to enter such service, and who within one year from termination of such active federal service, resumes employment as a state employee, shall have his or her service in such armed forces credited to him or her as a member of the retirement system: PROVIDED, That no such service in excess of five years shall be credited unless such service was actually rendered during time of war or emergency.

(6) An active employee of the Washington state patrol who either became a member of the retirement system prior to June 12, 1980, and who has prior service as a cadet in the public employees' retirement system may make an irrevocable election to transfer such service to the retirement system within a period ending June 30, 1985, or, if not an active employee on July 1, 1983, within one year of returning to commissioned service, whichever date is later. Any member upon making such election shall have transferred all existing service credited in the public employees' retirement system which constituted service as a cadet together with the employee's contributions plus credited interest. If the employee has withdrawn the employee's contributions, the contributions must be restored to the public employees' retirement system before the transfer of credit can occur and such restoration must be completed within the time limits specified in this subsection for making the elective transfer.

(7) An active employee of the Washington state patrol who either became a member of the retirement system prior to June 12, 1980, or who has prior service

as a cadet in the public employees' retirement system may make an irrevocable election to transfer such service to the retirement system if they have not met the time limitations of subsection (6) of this section by paying the amount required under RCW 41.50.165(2) less the contributions transferred. Any member upon making such election shall have transferred all existing service credited in the public employees' retirement system that constituted service as a cadet together with the employee's contributions plus credited interest. If the employee has withdrawn the employee's contributions, the contributions must be restored to the public employees' retirement system before the transfer of credit can occur and such restoration must be completed within the time limits specified in subsection (6) of this section for making the elective transfer.

(8) An active employee of the Washington state patrol may establish up to six months' retirement service credit in the state patrol retirement system for any period of employment by the Washington state patrol as a cadet if service credit for such employment was not previously established in the public employees' retirement system, subject to the following:

(a) Certification by the patrol that such employment as a cadet was for the express purpose of receiving on-the-job training required for attendance at the state patrol academy and for becoming a commissioned trooper.

(b) Payment by the member of employee contributions in the amount of seven percent of the total salary paid for each month of service to be established, plus interest at seven percent from the date of the probationary service to the date of payment. This payment shall be made by the member no later than July 1, 1988.

(c) If the payment required under (b) of this subsection was not made by July 1, 1988, the member may establish the probationary service by paying the amount required under RCW 41.50.165(2).

(d) A written waiver by the member of the member's right to ever establish the same service in the public employees' retirement system at any time in the future.

(9) The department of retirement systems shall make the requested transfer subject to the conditions specified in subsections (6) and (7) of this section or establish additional credit as provided in subsection (8) of this section. Employee contributions and credited interest transferred shall be credited to the employee's account in the Washington state patrol retirement system.

Sec. 5126. RCW 43.43.135 and 1965 c 8 s 43.43.135 are each amended to read as follows:

In any case where the Washington state patrol retirement system has in existence an agreement with another retirement system in connection with exchange of service credit or an agreement whereby members can retain service credit in more than one system, an employee holding membership in, or receiving pension benefits under, any retirement plan operated wholly or in part by an agency of the state or political subdivision thereof, or who is by reason of his or her current employment contributing to or otherwise establishing the right to receive benefits from any such retirement plan, shall be allowed membership rights should the agreement so provide.

Sec. 5127. RCW 43.43.330 and 1993 c 155 s 1 are each amended to read as follows:

Appropriate examinations shall be conducted for the promotion of commissioned patrol officers to the rank of sergeant and lieutenant. The examinations shall be prepared and conducted under the supervision of the chief of the Washington state patrol, who shall cause at least thirty days written notice thereof to be given to all patrol officers eligible for such examinations. The written notice shall specify the expected type of examination and relative weights to be assigned if a combination of tests is to be used. Examinations shall be given once every two years, or whenever the eligible list becomes exhausted as the case may be. After the giving of each such examination a new eligible list shall be compiled replacing any existing eligible list for such rank. Only grades attained in the last examination given for a particular rank shall be used in compiling each eligible list therefor. The chief, or in his or her discretion a committee of three individuals appointed by him or her, shall prepare and conduct the examinations, and thereafter grade and evaluate them in accordance with the following provisions, or factors: For promotion to the rank of sergeant or lieutenant, the examination shall consist of one or more of the following components: (1) Oral examination; (2) written examination; (3) service rating; (4) personnel record; (5) assessment center or other valid tests that measures the skills, knowledge, and qualities needed to perform these jobs. A cutoff score may be set for each testing component that allows only those scoring above the cutoff on one component to proceed to take a subsequent component.

Sec. 5128. RCW 43.43.350 and 1998 c 193 s 1 are each amended to read as follows:

Eligibility for examination for promotion shall be determined as follows:

Patrol officers with one year of probationary experience, in addition to three years experience as a regular (~~(patrolman)~~) patrol officer before the date of the first examination occurrence, shall be eligible for examination for the rank of sergeant; patrol officers with one year of probationary experience in the rank of sergeant before the date of the first examination occurrence, in addition to two years as a regular sergeant, shall be eligible for examination for the rank of lieutenant.

Sec. 5129. RCW 43.43.370 and 1965 c 8 s 43.43.370 are each amended to read as follows:

The chief of the Washington state patrol may appoint such staff or technical officers as he or she deems necessary for the efficient operation of the patrol, and he or she may assign whatever rank he or she deems necessary to such staff or technical officers for the duration of their service as such.

Staff or technical officers may be returned to their line rank or position whenever the chief so desires. Staff or technical officers without line command assignment and whose duties are of a special or technical nature shall hold their staff or technical rank on a continuing probationary basis; however, such staff or technical officers, if otherwise eligible, shall not be prevented from taking the line promotion examinations, and qualifying for promotion whenever the examinations may be held.

If a staff or technical officer returns to line operations he or she shall return in the rank that he or she holds in the line command, unless promoted to a higher

rank through examination and appointment as herein provided: PROVIDED, Nothing contained herein shall be construed as giving the chief the right to demote or to reduce the rank of any officer of the patrol who was holding such office on April 1, 1949.

Sec. 5130. RCW 43.43.735 and 2006 c 294 s 6 are each amended to read as follows:

(1) It shall be the duty of the sheriff or director of public safety of every county, and the chief of police of every city or town, and of every chief officer of other law enforcement agencies duly operating within this state, to cause the photographing and fingerprinting of all adults and juveniles lawfully arrested for the commission of any criminal offense constituting a felony or gross misdemeanor. (a) When such juveniles are brought directly to a juvenile detention facility, the juvenile court administrator is also authorized, but not required, to cause the photographing, fingerprinting, and record transmittal to the appropriate law enforcement agency; and (b) a further exception may be made when the arrest is for a violation punishable as a gross misdemeanor and the arrested person is not taken into custody.

(2) It shall be the right, but not the duty, of the sheriff or director of public safety of every county, and the chief of police of every city or town, and every chief officer of other law enforcement agencies operating within this state to photograph and record the fingerprints of all adults lawfully arrested.

(3) Such sheriffs, directors of public safety, chiefs of police, and other chief law enforcement officers, may record, in addition to photographs and fingerprints, the palmprints, soleprints, toeprints, or any other identification data of all persons whose photograph and fingerprints are required or allowed to be taken under this section when in the discretion of such law enforcement officers it is necessary for proper identification of the arrested person or the investigation of the crime with which he or she is charged.

Sec. 5131. RCW 43.43.750 and 1972 ex.s. c 152 s 11 are each amended to read as follows:

In exercising their duties and authority under RCW 43.43.735 and 43.43.740, the sheriffs, directors of public safety, chiefs of police, and other chief law enforcement officers, may, consistent with constitutional and legal requirements, use such reasonable force as is necessary to compel an unwilling person to submit to being photographed, or fingerprinted, or to submit to any other identification procedure, except interrogation, which will result in obtaining physical evidence serving to identify such person. No one having the custody of any person subject to the identification procedures provided for in chapter 152, Laws of 1972 ex. sess., and no one acting in his or her aid or under his or her direction, and no one concerned in such publication as is provided for in RCW 43.43.740, shall incur any liability, civil or criminal, for anything lawfully done in the exercise of the provisions of chapter 152, Laws of 1972 ex. sess.

Sec. 5132. RCW 43.43.815 and 1995 c 169 s 1 are each amended to read as follows:

(1) Notwithstanding any provision of RCW 43.43.700 through 43.43.810 to the contrary, the Washington state patrol shall furnish a conviction record, as defined in RCW 10.97.030, pertaining to any person of whom the Washington

state patrol has a record upon the written or electronic request of any employer for the purpose of:

- (a) Securing a bond required for any employment;
- (b) Conducting preemployment and postemployment evaluations of employees and prospective employees who, in the course of employment, may have access to information affecting national security, trade secrets, confidential or proprietary business information, money, or items of value; or
- (c) Assisting an investigation of suspected employee misconduct where such misconduct may also constitute a penal offense under the laws of the United States or any state.

(2) When an employer has received a conviction record under subsection (1) of this section, the employer shall notify the subject of the record of such receipt within thirty days after receipt of the record, or upon completion of an investigation under subsection (1)(c) of this section. The employer shall make the record available for examination by its subject and shall notify the subject of such availability.

(3) The Washington state patrol shall charge fees for disseminating records pursuant to this section which will cover, as nearly as practicable, the direct and indirect costs to the Washington state patrol of disseminating such records.

(4) Information disseminated pursuant to this section or RCW 43.43.760 shall be available only to persons involved in the hiring, background investigation, or job assignment of the person whose record is disseminated and shall be used only as necessary for those purposes enumerated in subsection (1) of this section.

(5) Any person may maintain an action to enjoin a continuance of any act or acts in violation of any of the provisions of this section, and if injured thereby, for the recovery of damages and for the recovery of reasonable attorneys' fees. If, in such action, the court finds that the defendant is violating or has violated any of the provisions of this section, it shall enjoin the defendant from a continuance thereof, and it shall not be necessary that actual damages to the plaintiff be alleged or proved. In addition to such injunctive relief, the plaintiff in the action is entitled to recover from the defendant the amount of the actual damages, if any, sustained by him or her if actual damages to the plaintiff are alleged and proved. In any suit brought to enjoin a violation of this chapter, the prevailing party may be awarded reasonable attorneys' fees, including fees incurred upon appeal. Commencement, pendency, or conclusion of a civil action for injunction or damages shall not affect the liability of a person or agency to criminal prosecution for a violation of chapter 10.97 RCW.

(6) Neither the section, its employees, nor any other agency or employee of the state is liable for defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of information pursuant to this section or RCW 43.43.760.

(7) The Washington state patrol may adopt rules and forms to implement this section and to provide for security and privacy of information disseminated pursuant hereto, giving first priority to the criminal justice requirements of chapter 43.43 RCW. Such rules may include requirements for users, audits of users, and other procedures to prevent use of criminal history record information inconsistent with this section.

(8) Nothing in this section shall authorize an employer to make an inquiry not otherwise authorized by law, or be construed to affect the policy of the state declared in RCW 9.96A.010, encouraging the employment of ex-offenders.

***Sec. 5133.** RCW 43.43.860 and 1987 c 65 s 2 are each amended to read as follows:

The term of each legislative member shall be two years and shall be conditioned upon such member retaining membership in the legislature and in the same political party of which he or she was a member at the time of appointment.

The term of each nonlegislative member shall be two years and shall be conditioned upon such member retaining the official position from which he or she was appointed.

*Sec. 5133 was vetoed. See message at end of chapter.

Sec. 5134. RCW 43.46.090 and 1983 c 204 s 1 are each amended to read as follows:

The legislature recognizes this state's responsibility to foster culture and the arts and its interest in the viable development of ~~((her)) the state's artists ((and craftsmen))~~ by the establishment of the Washington state arts commission. The legislature declares it to be a policy of this state that a portion of appropriations for capital expenditures be set aside for the acquisition of works of art to be placed in public buildings or lands. There is hereby established a visual arts program to be administered by the Washington state arts commission.

Sec. 5135. RCW 43.52.290 and 1983 1st ex.s. c 3 s 1 are each amended to read as follows:

Members of the board of directors of an operating agency shall be paid the sum of fifty dollars per day as compensation for each day or major part thereof devoted to the business of the operating agency, together with their traveling and other necessary expenses. Such member may, regardless of any charter or other provision to the contrary, be an officer or employee holding another public position and, if he or she be such other public officer or employee, he or she shall be paid by the operating agency such amount as will, together with the compensation for such other public position equal the sum of fifty dollars per day. The common law doctrine of incompatibility of offices is hereby voided as it applies to persons sitting on the board of directors or the executive board of an operating agency and holding an elective or appointive position on a public utility district commission or municipal legislative authority or being an employee of a public utility district or municipality.

Sec. 5136. RCW 43.52.374 and 1983 1st ex.s. c 3 s 3 are each amended to read as follows:

(1) With the exception of the powers and duties of the board of directors described in RCW 43.52.370(2), the management and control of an operating agency constructing, operating, terminating, or decommissioning a nuclear power plant under a site certification agreement under chapter 80.50 RCW is vested in an executive board established under this subsection and consisting of eleven members.

(a) Five members of the executive board shall be elected to four-year terms by the board of directors from among the members of the board of directors. The board of directors may provide by rule for the composition of the five

members of the executive board elected from among the members of the board of directors so as to reflect the member public utility districts' and cities' participation in the joint operating agency's projects. Members elected to the executive board from the board of directors are ineligible for continued membership on the executive board if they cease to be members of the board of directors. The board of directors may also provide by rule for the removal of a member of the executive board, except for the outside directors. Members of the board of directors may be elected to serve successive terms on the executive board. Members elected to the executive board from the board of directors shall receive a salary from the operating agency at a rate set by the board of directors.

(b) Six members of the executive board shall be outside directors. Three shall be selected and appointed by the board of directors, and three shall be selected and appointed by the governor and confirmed by the senate. All outside directors shall:

(i) Serve four-year terms on the executive board. However, of the initial members of the executive board, the board of directors and the governor shall each appoint one outside director to serve a two-year term, one outside director to serve a three-year term, and one outside director to serve a four-year term. Thereafter, all outside directors shall be appointed for four-year terms. All outside directors are eligible for reappointment;

(ii) Receive travel expenses on the same basis as the five members elected from the board of directors. The outside directors shall also receive a salary from the operating agency as fixed by the governor;

(iii) Not be an officer or employee of, or in any way affiliated with, the Bonneville power administration or any electric utility conducting business in the states of Washington, Oregon, Idaho, or Montana;

(iv) Not be involved in the financial affairs of the operating agency as an underwriter or financial adviser of the operating agency or any of its members or any of the participants in any of the operating agency's plants; and

(v) Be representative of policy makers in business, finance, or science, or have expertise in the construction or management of such facilities as the operating agency is constructing or operating, or have expertise in the termination, disposition, or liquidation of corporate assets.

(c) The governor may remove outside directors from the executive board for incompetency, misconduct, or malfeasance in office in the same manner as state appointive officers under chapter 43.06 RCW. For purposes of this subsection, misconduct shall include, but not be limited to, nonfeasance and misfeasance.

(2) Nothing in this chapter shall be construed to mean that an operating agency is in any manner an agency of the state. Nothing in this chapter alters or destroys the status of an operating agency as a separate municipal corporation or makes the state liable in any way or to any extent for any preexisting or future debt of the operating agency or any present or future claim against the agency.

(3) The eleven members of the executive board shall be selected with the objective of establishing an executive board which has the resources to effectively carry out its responsibilities. All members of the executive board shall conduct their business in a manner which in their judgment is in the interest of all ratepayers affected by the joint operating agency and its projects.

(4) The executive board shall elect from its members a (~~chairman~~) chair, vice (~~chairman~~) chair, and secretary, who shall serve at the pleasure of the

executive board. The executive board shall adopt rules for the conduct of its meetings and the carrying out of its business. All proceedings shall be by motion or resolution and shall be recorded in the minute book, which shall be a public record. A majority of the executive board shall constitute a quorum for the transaction of business.

(5) With respect to any operating agency existing on April 20, 1982, to which the provisions of this section are applicable:

(a) The board of directors shall elect five members to the executive board no later than sixty days after April 20, 1982; and

(b) The board of directors and the governor shall select and appoint the initial outside directors and the executive board shall hold its organizational meeting no later than sixty days after April 20, 1982, and the powers and duties prescribed in this chapter shall devolve upon the executive board at that time.

(6) The executive board shall select and employ a managing director of the operating agency and may delegate to the managing director such authority for the management and control of the operating agency as the executive board deems appropriate. The managing director's employment is terminable at the will of the executive board.

(7) Members of the executive board shall be immune from civil liability for mistakes and errors of judgment in the good faith performance of acts within the scope of their official duties involving the exercise of judgment and discretion. This grant of immunity shall not be construed as modifying the liability of the operating agency.

The operating agency shall undertake the defense of and indemnify each executive board member made a party to any civil proceeding including any threatened, pending, or completed action, suit, or proceeding, whether civil, administrative, or investigative, by reason of the fact he or she is or was a member of the executive board, against judgments, penalties, fines, settlements, and reasonable expenses, actually incurred by him or her in connection with such proceeding if he or she had conducted himself or herself in good faith and reasonably believed his or her conduct to be in the best interest of the operating agency.

In addition members of the executive board who are utility employees shall not be fired, forced to resign, or demoted from their utility jobs for decisions they make while carrying out their duties as members of the executive board involving the exercise of judgment and discretion.

****Sec. 5137. RCW 43.52.375 and 1982 1st ex.s. c 43 s 7 are each amended to read as follows:***

The board of each joint operating agency shall by resolution appoint a treasurer. The treasurer shall be the chief financial officer of the operating agency, who shall report at least annually to the board a detailed statement of the financial condition of the operating agency and of its financial operations for the preceding fiscal year. The treasurer shall advise the board on all matters affecting the financial condition of the operating agency. Before entering upon his or her duties the treasurer shall give bond to the operating agency, with a surety company authorized to write such bonds in this state as surety, in an amount which the board finds by resolution will protect the operating agency against loss, conditioned that all funds which he or she receives as such treasurer will be faithfully kept and accounted for and for the

faithful discharge of his or her duties. The amount of such bond may be decreased or increased from time to time as the board may by resolution direct.

The board shall also appoint an auditor and may require him or her to give a bond with a surety company authorized to do business in the state of Washington in such amount as it shall by resolution prescribe, conditioned for the faithful discharge of his or her duties. The auditor shall report directly to the board and be responsible to it for discharging his or her duties.

The premiums on the bonds of the auditor and the treasurer shall be paid by the operating agency. The board may provide for coverage of said officers and other persons on the same bond.

All funds of the joint operating agency shall be paid to the treasurer and shall be disbursed by him or her only on warrants issued by the auditor upon orders or vouchers approved by the board: PROVIDED, That the board by resolution may authorize the managing director or any other bonded officer or employee as legally permissible to approve or disapprove vouchers presented to defray salaries of employees and other expenses of the operating agency arising in the usual and ordinary course of its business, including expenses incurred by the board of directors, its executive committee, or the executive board in the performance of their duties. All moneys of the operating agency shall be deposited forthwith by the treasurer in such depositories, and with such securities as are designated by rules of the board. The treasurer shall establish a general fund and such special funds as shall be created by the board, into which he or she shall place all money of the joint operating agency as the board by resolution or motion may direct.

**Sec. 5137 was vetoed. See message at end of chapter.*

Sec. 5138. RCW 43.52.378 and 1987 c 505 s 84 are each amended to read as follows:

The executive board of any operating agency constructing, operating, terminating, or decommissioning a nuclear power plant under a site certification agreement issued pursuant to chapter 80.50 RCW shall appoint an administrative auditor. The administrative auditor shall be deemed an officer under chapter 42.23 RCW. The appointment of the administrative auditor shall be in addition to the appointment of the auditor for the issuance of warrants and other purposes as provided in RCW 43.52.375. The executive board shall retain a qualified firm or firms to conduct performance audits which is in fact independent and does not have any interest, direct or indirect, in any contract with the operating agency other than its employment hereunder. No member or employee of any such firm shall be connected with the operating agency as an officer, employee, or contractor. The administrative auditor and the firm or firms shall be independently and directly responsible to the executive board of the operating agency. The executive board shall require a firm to conduct continuing audits of the methods, procedures and organization used by the operating agency to control costs, schedules, productivity, contract amendments, project design and any other topics deemed desirable by the executive board. The executive board may also require a firm to analyze particular technical aspects of the operating agency's projects and contract amendments. The firm or firms shall provide advice to the executive board in its management and control of the operating agency. At least once each year, the firm or firms shall prepare and furnish a report of its actions and recommendations to the executive board for the purpose

of enabling it to attain the highest degree of efficiency in the management and control of any thermal power project under construction or in operation. The administrative auditor shall assist the firm or firms in the performance of its duties. The administrative auditor and the firm or firms shall consult regularly with the executive board and furnish any information or data to the executive board which the administrative auditor, firm, or executive board deems helpful in accomplishing the purpose above stated. The administrative auditor shall perform such other duties as the executive board shall prescribe to accomplish the purposes of this section.

Upon the concurrent request of the (~~(chairmen)~~) chairs of the senate or house energy and utilities committees, the operating agency shall report to the committees on a quarterly basis.

Sec. 5139. RCW 43.52A.050 and 1981 c 14 s 5 are each amended to read as follows:

(1) Council members shall spend sufficient time on council activities to fully represent the state of Washington in carrying out the purposes of the act.

(2) State agencies shall provide technical assistance to council members upon request. The council members shall request that the council request the administrator of the Bonneville Power Administration to reimburse the state for the expenses associated with such assistance as provided in the act.

(3) The members of the council shall maintain liaison with the governor or his or her designees and the committees on energy and utilities, or their successor entities, of the senate and house of representatives.

(4) The members of the council shall submit to the governor and legislature an annual report describing the activities and plans of the council.

(5) Each member of the council shall receive compensation to be determined by the governor and applicable federal law and shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060, as now or hereafter amended.

***Sec. 5140.** RCW 43.56.040 and 1975-'76 2nd ex.s. c 34 s 118 are each amended to read as follows:

No member of the board shall receive any compensation for his or her services, but each member shall be paid travel expenses incurred in the discharge of official duty in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended, after the account thereof has been audited by the board.

The board shall keep a full account of its expenditures and shall report it in each report. There shall be allowed such expenses for only one annual meeting of the board within this state, and for the members in attendance, not oftener than once in each year, at any conference of commissioners outside of this state.

***Sec. 5140** was vetoed. See message at end of chapter.

Sec. 5141. RCW 43.59.010 and 1998 c 165 s 2 are each amended to read as follows:

(1) The purpose of this chapter is to establish a new agency of state government to be known as the Washington traffic safety commission. The functions and purpose of this commission shall be to find solutions to the problems that have been created as a result of the tremendous increase of motor

vehicles on our highways and the attendant traffic death and accident tolls; to plan and supervise programs for the prevention of accidents on streets and highways including but not limited to educational campaigns designed to reduce traffic accidents in cooperation with all official and unofficial organizations interested in traffic safety; to coordinate the activities at the state and local level in the development of statewide and local traffic safety programs; to promote a uniform enforcement of traffic safety laws and establish standards for investigation and reporting of traffic accidents; to promote and improve driver education; and to authorize the governor to perform all functions required to be performed by him or her under the federal Highway Safety Act of 1966 (Public Law 89-564; 80 Stat. 731).

(2) The legislature finds and declares that bicycling and walking are becoming increasingly popular in Washington as clean and efficient modes of transportation, as recreational activities, and as organized sports. Future plans for the state's transportation system will require increased access and safety for bicycles and pedestrians on our common roadways, and federal transportation legislation and funding programs have created strong incentives to implement these changes quickly. As a result, many more people are likely to take up bicycling in Washington both as a leisure activity and as a convenient, inexpensive form of transportation. Bicyclists are more vulnerable to injury and accident than motorists, and should be as knowledgeable as possible about traffic laws, be highly visible and predictable when riding in traffic, and be encouraged to wear bicycle safety helmets. Hundreds of bicyclists and pedestrians are seriously injured every year in accidents, and millions of dollars are spent on health care costs associated with these accidents. There is clear evidence that organized training in the rules and techniques of safe and effective cycling can significantly reduce the incidence of serious injury and accidents, increase cooperation among road users, and significantly increase the incidence of bicycle helmet use, particularly among minors. A reduction in accidents benefits the entire community. Therefore it is appropriate for businesses and community organizations to provide donations to bicycle and pedestrian safety training programs.

Sec. 5142. RCW 43.59.030 and 1991 c 3 s 298 are each amended to read as follows:

The governor shall be assisted in his or her duties and responsibilities by the Washington state traffic safety commission. The Washington traffic safety commission shall be composed of the governor as (~~chairman~~) chair, the superintendent of public instruction, the director of licensing, the secretary of transportation, the chief of the state patrol, the secretary of health, the secretary of social and health services, a representative of the association of Washington cities to be appointed by the governor, a member of the association of counties to be appointed by the governor, and a representative of the judiciary to be appointed by the governor. Appointments to any vacancies among appointee members shall be as in the case of original appointment.

The governor may designate an employee of the governor's office to act on behalf of the governor during the absence of the governor at one or more of the meetings of the commission. The vote of the designee shall have the same effect as if cast by the governor if the designation is in writing and is presented to the person presiding at the meetings included within the designation.

The governor may designate a member to preside during the governor's absence.

Sec. 5143. RCW 43.59.060 and 1967 ex.s. c 147 s 7 are each amended to read as follows:

The governor as ((~~chairman~~)) chair of the commission shall appoint a person to be director of the Washington traffic safety commission which director shall be paid such salary as shall be deemed reasonable and shall serve at the pleasure of the governor.

Sec. 5144. RCW 43.59.080 and 1967 ex.s. c 147 s 9 are each amended to read as follows:

The governor as ((~~chairman~~)) chair of said commission shall have the authority to appoint advisory committees as he or she may deem advisable to aid, advise and assist the commission in carrying out the purposes of this chapter. All actions and decisions, however, shall be made by the commission.

Sec. 5145. RCW 43.70.210 and 1989 1st ex.s. c 9 s 260 are each amended to read as follows:

Nothing in chapter 43.20 or 43.70 RCW, or RCW 43.70.120 shall be construed to abridge the right of any person to rely exclusively on spiritual means alone through prayer to alleviate human ailments, sickness or disease, in accordance with the tenets and practice of the Church of Christ, Scientist, nor shall anything in chapters 43.20, 43.70 RCW, or RCW 43.70.120 be deemed to prohibit a person so relying who is inflicted with a contagious or communicable disease from being isolated or quarantined in a private place of his or her own choice, provided, it is approved by the local health officer, and all laws, rules and regulations governing control, sanitation, isolation and quarantine are complied with.

Sec. 5146. RCW 43.78.010 and 1981 c 338 s 6 are each amended to read as follows:

There shall be a public printer appointed by the governor with the advice and consent of the senate, who shall hold office at the pleasure of the governor and until his or her successor is appointed and qualified.

Sec. 5147. RCW 43.78.020 and 1965 c 8 s 43.78.020 are each amended to read as follows:

Before entering upon the duties of his or her office, the public printer shall execute to the state a bond in the sum of ten thousand dollars conditioned for the faithful and punctual performance of all duties and trusts of his or her office.

Sec. 5148. RCW 43.78.070 and 1979 c 151 s 134 are each amended to read as follows:

The public printer shall use the state printing plant upon the following conditions, to wit:

(1) He or she shall do the public printing, and charge therefor the fees as provided by law. He or she may print the Washington Reports for the publishers thereof under a contract approved in writing by the governor.

(2) The gross income of the public printer shall be deposited in an account designated "state printing plant revolving fund" in depositories approved by the state treasurer, and shall be disbursed by the public printer by check and only as follows:

First, in payment of the actual cost of labor, material, supplies, replacements, repairs, water, light, heat, telephone, rent, and all other expenses necessary in the operation of the plant: PROVIDED, That no machinery shall be purchased except on written approval of the governor;

Second, in payment of the cost of reasonable insurance upon the printing plant, payable to the state and of all fidelity bonds required by law of the public printer;

Third, in payment to the public printer of a salary which shall be fixed by the governor in accordance with the provisions of RCW 43.03.040;

Fourth, in remitting the balance to the state treasurer for the general fund: PROVIDED, That a reasonable sum to be determined by the governor, the public printer, and the director of financial management shall be retained in the fund for working capital for the public printer.

Sec. 5149. RCW 43.79.074 and 1965 c 8 s 43.79.074 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the University of Washington fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5150. RCW 43.79.280 and 2005 c 319 s 106 are each amended to read as follows:

(1) If the governor approves such estimate in whole or part, he or she shall endorse on each copy of the statement his or her approval, together with a statement of the amount approved in the form of an allotment amendment, and transmit one copy to the head of the department, agency, board, or commission authorizing the expenditure. An identical copy of the governor's statement of approval and a statement of the amount approved for expenditure shall be transmitted simultaneously to the joint legislative audit and review committee and also to the standing committee on ways and means of the house and senate of all executive approvals of proposals to expend money in excess of appropriations provided by law.

(2) If the governor approves an estimate with transportation funding implications, in whole or part, he or she shall endorse on each copy of the statement his or her approval, together with a statement of the amount approved in the form of an allotment amendment, and transmit one copy to the head of the department, agency, board, or commission authorizing the expenditure. An identical copy of the governor's statement of approval of a proposal to expend transportation money in excess of appropriations provided by law and a statement of the amount approved for expenditure must be transmitted simultaneously to the standing committees on transportation of the house and senate.

Sec. 5151. RCW 43.79.303 and 1965 c 8 s 43.79.303 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the Central College fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5152. RCW 43.79.313 and 1965 c 8 s 43.79.313 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the Eastern College fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5153. RCW 43.79.323 and 1965 c 8 s 43.79.323 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the Western College fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5154. RCW 43.79.343 and 1965 c 8 s 43.79.343 are each amended to read as follows:

From and after the first day of May, 1955, all warrants drawn on the general obligation bond retirement fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5155. RCW 43.79.393 and 1965 c 8 s 43.79.393 are each amended to read as follows:

From and after the first day of August, 1957, all warrants drawn on the United States vocational education account in the general fund and not presented for payment shall be paid from the general fund, and it shall be the duty of the state treasurer and he or she is hereby directed to pay such warrants when presented from the general fund.

Sec. 5156. RCW 43.79A.020 and 1991 sp.s. c 13 s 81 are each amended to read as follows:

There is created a trust fund outside the state treasury to be known as the "treasurer's trust fund." All nontreasury trust funds which are in the custody of the state treasurer on April 10, 1973, shall be placed in the treasurer's trust fund and be subject to the terms of this chapter. Funds of the state department of transportation shall be placed in the treasurer's trust fund only if mutually agreed to by the state treasurer and the department. In order to assure an orderly transition to a centralized management system, the state treasurer may place each of such trust funds in the treasurer's trust fund at such times as he or she deems advisable. Except for department of transportation trust funds, all such funds shall be incorporated in the treasurer's trust fund by June 30, 1975. Other funds in the custody of state officials or state agencies may, upon their request, be established as accounts in the treasurer's trust fund with the discretionary concurrence of the state treasurer. All income received from the treasurer's trust fund investments shall be deposited in the investment income account pursuant to RCW 43.79A.040.

Sec. 5157. RCW 43.80.130 and 1969 ex.s. c 80 s 4 are each amended to read as follows:

The fiscal agencies, on the receipt of any moneys transmitted to them by or for this state, or for any affected subdivision, for the purpose of paying therewith any of its bonds or coupons by their terms made payable at the situs of the state of Washington fiscal agencies, shall transmit forthwith to the sender of such

moneys a proper receipt therefor; pay such bonds or coupons upon presentation thereof for payment at the office of the fiscal agencies at or after the maturity thereof, in the order of their presentation insofar as the moneys received for that purpose suffice therefor; and cancel all such bonds and coupons upon payment thereof, and thereupon forthwith return the same to the proper officers of this state or affected subdivisions which issued them; and, concerning the same, report to the state and/or affected subdivision within thirty days following a maturity date the amount of bonds and coupons presented and paid to that date: PROVIDED, That nothing herein shall prevent the state or any of the subdivisions thereof from designating its fiscal agencies, or the trustee of any revenue bond issue, or both, also as its agencies for cremation and to provide by agreement therewith, that after one year any general or revenue obligation bonds or interest coupons that have been canceled or paid, may be destroyed as directed by the proper officers of the state or other subdivisions hereinbefore mentioned: PROVIDED FURTHER, That a certificate of destruction giving full descriptive reference to the instruments destroyed shall be made by the person or persons authorized to perform such destruction and one copy of the certificate shall be filed with the treasurer of the state or local subdivisions as applicable. Whenever said treasurer has redeemed any of the bonds or coupons referred to in this section through his or her local office, or whenever such redemption has been performed by the trustee of any revenue bond issue, and the canceled instruments or certificates of transmittal thereafter have been forwarded to said treasurer for recording, such canceled instruments may be forwarded to the fiscal agents designated as agents for cremation for destruction pursuant to any agreements therefor, or said treasurer may, notwithstanding any provision of state statute to the contrary, (~~himself~~) destroy such canceled instruments in the presence of the public officers or boards or their authorized representatives, which by law perform the auditing functions within the state or such political subdivisions as hereinbefore specified: PROVIDED, That he or she and the said auditing officers or boards shall execute a certificate of destruction, giving full descriptive reference to the instruments destroyed, which certificates shall be filed with those of the agencies for cremation herein designated. No certificate required by this section shall be destroyed until all of the bonds and coupons of the issue or series described thereon shall have matured and been paid or canceled.

Sec. 5158. RCW 43.82.140 and 1965 c 8 s 43.82.140 are each amended to read as follows:

The director may, in his or her discretion, obtain fire or other hazard insurance on any building under his or her management.

Sec. 5159. RCW 43.83B.220 and 1989 c 11 s 17 are each amended to read as follows:

In addition to the powers granted by RCW 43.83B.210, the director of the department of ecology or his or her designee is authorized to make contractual agreements in accordance with provisions of this chapter on behalf of the state of Washington. Contractual agreements shall include provisions to secure such loans, and shall assure the proper and timely payment of said loans or loan portions of combination loans and grants.

Sec. 5160. RCW 43.84.041 and 1965 ex.s. c 104 s 4 are each amended to read as follows:

All securities purchased or held on behalf of said funds, shall be held and disbursed through the state treasury and shall be in the physical custody of the state treasurer, who may deposit with the fiscal agent of the state, or with a state depository, such of said securities as he or she shall consider advisable to be held in safekeeping by said agent or bank for collection of principal and interest, or of the proceeds of sale thereof.

Sec. 5161. RCW 43.84.120 and 1971 ex.s. c 88 s 4 are each amended to read as follows:

Whenever there is in any fund or in cash balances in the state treasury more than sufficient to meet the current expenditures properly payable therefrom, and over and above the amount belonging to the permanent school fund as shown by the separation made by the state treasurer, the state treasurer may invest such portion of such funds or balances over and above that belonging to the permanent school fund in registered warrants of the state of Washington at such times and in such amounts, and may sell them at such times, as he or she deems advisable: PROVIDED, That those funds having statutory authority to make investments are excluded from the provisions of RCW 43.84.120.

Upon such investment being made, the state treasurer shall pay into the appropriate fund the amount so invested, and the warrants so purchased shall be deposited with the state treasurer, who shall collect all interest and principal payments falling due thereon and allocate the same to the proper fund or funds.

Sec. 5162. RCW 43.85.070 and 1969 ex.s. c 193 s 18 are each amended to read as follows:

The state treasurer may deposit with any qualified public depository which has fully complied with all requirements of law and the regulations of the public deposit protection commission any state moneys in his or her hands or under his or her official control and any sum so on deposit shall be deemed to be in the state treasury, and he or she shall not be liable for any loss thereof resulting from the failure or default of any such depository without fault or neglect on his or her part or on the part of his or her assistants or clerks.

Sec. 5163. RCW 43.85.190 and 1983 c 66 s 17 are each amended to read as follows:

It is the purpose of RCW 43.85.190 through 43.85.230 to authorize the state treasurer to make investment deposits of state moneys or funds in his or her custody in qualified public depositories at a rate of interest permitted by any applicable statute or regulation.

Sec. 5164. RCW 43.86A.020 and 1973 c 123 s 2 are each amended to read as follows:

After March 19, 1973, the state treasurer shall limit surplus funds held as demand deposits to an amount necessary for current operating expenses including direct warrant redemption payments, investments and revenue collection. The state treasurer may hold such additional funds as demand deposits as he or she deems necessary to insure efficient treasury management.

Sec. 5165. RCW 43.88.100 and 1965 c 8 s 43.88.100 are each amended to read as follows:

The governor may provide for hearings on all agency requests for expenditures to enable him or her to make determinations as to the need, value or usefulness of activities or programs requested by agencies. The governor may require the attendance of proper agency officials at his or her hearings and it shall be their duty to disclose such information as may be required to enable the governor to arrive at his or her final determination.

Sec. 5166. RCW 43.89.040 and 1965 ex.s. c 60 s 1 are each amended to read as follows:

The powers, duties, and functions of the director of budget relating to the state teletypewriter communication network are transferred to the chief of the Washington state patrol. All existing contracts, orders, rules, regulations, records, and obligations together with communications equipment, motor vehicles, and any other property, device, or thing and any remaining appropriation pertaining to such communication network shall be transferred by the director of budget or his or her agent to the chief of the Washington state patrol as of July 1, 1965.

Sec. 5167. RCW 43.101.040 and 1974 ex.s. c 94 s 4 are each amended to read as follows:

All members appointed to the commission by the governor shall be appointed for terms of six years, such terms to commence on July first, and expire on June thirtieth: PROVIDED, That of the members first appointed three shall be appointed for two year terms, three shall be appointed for four year terms, and three shall be appointed for six year terms: PROVIDED, FURTHER, That the terms of the two members appointed as incumbent police chiefs shall not expire in the same year nor shall the terms of the two members appointed as representing correctional systems expire in the same year nor shall the terms of the two members appointed as incumbent sheriffs expire in the same year. Any member chosen to fill a vacancy created otherwise than by expiration of term shall be appointed for the unexpired term of the member he or she is to succeed. Any member may be reappointed for additional terms.

Sec. 5168. RCW 43.101.050 and 1974 ex.s. c 94 s 5 are each amended to read as follows:

Any member of the commission appointed pursuant to RCW 43.101.030 as an incumbent official or as an employee in a correctional system, as the case may be, shall immediately upon the termination of his or her holding of said office or employment, cease to be a member of the commission.

Sec. 5169. RCW 43.101.070 and 1984 c 287 s 85 are each amended to read as follows:

Members of the commission shall be compensated in accordance with RCW 43.03.240 and shall be reimbursed for their travel expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060. Attendance at meetings of the commission shall be deemed performance by a member of the duties of his or her employment.

Sec. 5170. RCW 43.115.040 and 1993 c 261 s 3 are each amended to read as follows:

The commission shall have the following powers and duties:

- (1) Elect one of its members to serve as (~~((chairman))~~) chair;
- (2) Adopt rules and regulations pursuant to chapter 34.05 RCW;
- (3) Examine and define issues pertaining to the rights and needs of Hispanics, and make recommendations to the governor and state agencies for changes in programs and laws;
- (4) Advise the governor and state agencies on the development and implementation of policies, plans, and programs that relate to the special needs of Hispanics;
- (5) Advise the legislature on issues of concern to the Hispanic community;
- (6) Establish relationships with state agencies, local governments, and private sector organizations that promote equal opportunity and benefits for Hispanics; and
- (7) Receive gifts, grants, and endowments from public or private sources that are made for the use or benefit of the commission and expend, without appropriation, the same or any income from the gifts, grants, or endowments according to their terms.

Sec. 5171. RCW 43.117.040 and 1982 c 68 s 1 are each amended to read as follows:

(1) The commission shall consist of twelve members appointed by the governor. In making such appointments, the governor shall give due consideration to recommendations submitted to him or her by the commission. The governor may also consider nominations of members made by the various Asian-American organizations in the state. The governor shall consider nominations for membership based upon maintaining a balanced distribution of Asian-ethnic, geographic, sex, age, and occupational representation, where practicable.

(2) Appointments shall be for three years except in case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. Vacancies shall be filled in the same manner as the original appointments.

(3) Members shall receive reimbursement for travel expenses incurred in the performance of their duties in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

(4) Seven members shall constitute a quorum for the purpose of conducting business.

(5) The governor shall appoint an executive director based upon recommendations made by the council.

Sec. 5172. RCW 43.117.050 and 1974 ex.s. c 140 s 5 are each amended to read as follows:

The commission shall:

- (1) Elect one of its members to serve as (~~((chairman))~~) chair; and also such other officers as necessary to form an executive committee;
- (2) Adopt rules and regulations pursuant to chapter 34.05 RCW;
- (3) Meet at the call of the (~~((chairman))~~) chair or the call of a majority of its members, but in no case less often than once during any three month period;
- (4) Be authorized to appoint such citizen task force as it deems appropriate.

Sec. 5173. RCW 43.117.090 and 1974 ex.s. c 140 s 9 are each amended to read as follows:

(1) The commission may for the purpose of carrying out the purposes of this chapter hold such public hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the commission may deem advisable. The commission may administer oaths or affirmations to witnesses appearing before it. At least five members of the commission must be present to conduct a hearing.

(2) The commission may secure directly from any department or agency of the state information necessary to enable it to carry out the purposes of this chapter. Upon request of the ((~~chairman~~)) chair of the commission, the head of such department or agency shall furnish such information to the commission.

Sec. 5174. RCW 43.126.025 and 1983 c 273 s 2 are each amended to read as follows:

There is hereby created a Washington state board on geographic names composed of:

- (1) The state librarian or a representative;
- (2) The commissioner of public lands or a representative;
- (3) The ((~~chairperson~~)) chair of the Washington state heritage council created by 1983 law; and
- (4) Four members from the general public to be appointed by the commissioner of public lands.

The commissioner of public lands or his or her representative shall be ((~~chairman~~)) chair of the board.

The members of the initial board to be appointed by the commissioner shall be appointed as follows: One member for a one-year term, one member for a two-year term, one member for a three-year term, and one member for a four-year term. Thereafter, each member shall be appointed for a three-year term. Each member of the board shall continue in office until a successor is appointed.

Sec. 5175. RCW 43.126.065 and 1983 c 273 s 6 are each amended to read as follows:

(1) The board shall hold at least two meetings each year, and shall hold special meetings as called by the ((~~chairman~~)) chair or a majority of the board.

(2) All meetings shall be open to the public.

(3) Notice of all board meetings shall be as provided in RCW 42.30.080. This notice includes those names to be considered by the board and those names to be adopted by the board.

(4) Four board members shall constitute a quorum.

(5) The board shall establish rules for the conduct of its affairs and to carry out the purposes of this chapter.

(6) The department of natural resources shall furnish secretarial and administrative services and shall serve as custodian of the records.

(7) All geographic names adopted by the board shall be published in the Washington State Register.

Sec. 5176. RCW 43.130.040 and 1973 2nd ex.s. c 37 s 4 are each amended to read as follows:

In order to carry out the purposes of this chapter, the state shall take every reasonable step at its disposal to provide alternative employment and to

minimize the economic loss of state employees affected by the closure of state facilities. Affected state employees shall be paid benefits as specified in this section.

(1) Relocation expenses covering the movement of household goods, incurred by the necessity of an employee moving his or her domicile to be within reasonable commuting distance of a new job site, shall be paid by the state to employees transferring to other state employment by reason of the closure of a facility.

(2) Relocation leave shall be allowed up to five working days' leave with pay for the purpose of locating new residence in the area of employment.

(3) The state shall reimburse the transferring employee to the extent of any unavoidable financial loss suffered by an employee who sells his or her home at a price less than the true and fair market value as determined by the county assessor not exceeding three thousand dollars: PROVIDED, That this right of reimbursement must be exercised, and sale of the property must be accomplished, within a period of two years from the date other state employment is accepted.

(4) For employees in facilities which have been terminated who do not choose to participate in the transfer program set forth in the preceding subsections, the following terminal pay plan shall be available:

(a) For qualifying employees, for each one year of continuous state service, one week (five working days) of regular compensation shall be provided.

(b) Regular compensation as used in subsection (a) hereof shall include salary compensation at the rate being paid to the employees at the time operation of the facility is terminated.

(c) Terminal pay as set forth in subsections (a) and (b) hereof shall be paid to the employee at the termination of the employees last month of employment or within thirty days after the effective date of this 1973 act, whichever is later: PROVIDED, That from the total amount of terminal pay, the average sum of unemployment compensation that the qualifying employee is eligible to receive multiplied by the total number of weeks of terminal pay minus one week shall be deducted.

(d) Those employees electing the early retirement benefits as stated in subsection (5) of this section shall not be eligible for the terminal pay provisions as set forth in this subsection.

(e) Those employees who are reemployed by the state during the period they are receiving terminal pay pursuant to subsections (a), (b) and (c) of this section shall reimburse the state for that portion of the terminal pay covered by the period of new employment.

(5) As an option to transferring to other state employment an employee may elect early retirement under the following conditions:

(a) Notwithstanding the age requirements of RCW 41.40.180, any affected employee under this chapter who has attained the age of fifty-five years, with at least five years creditable service, shall be immediately eligible to retire, with no actuarial reduction in the amount of his or her pension benefit.

(b) Notwithstanding the age requirements of RCW 41.40.180, any affected employee under this chapter who has attained the age of forty-five years, with at least five years creditable service, shall be immediately eligible to retire with an

actuarial reduction in the amount of his or her pension benefit of three percent for each complete year that such employee is under fifty-five years of age.

(c) Employees who elect to retire pursuant to RCW 41.40.180 shall be eligible to retire while on authorized leave of absence not in excess of one hundred and twenty days.

(d) Employees who elect to retire under the provisions of this section shall not be eligible for any retirement benefit in a year following a year in which their employment income was in excess of six thousand dollars. This six thousand dollars base shall be adjusted annually beginning in 1974 by such cost of living adjustments as are applied by the public employees' retirement system to membership retirement benefits. The public employees retirement system board shall adopt necessary rules and regulations to implement the provisions of this subsection.

Sec. 5177. RCW 43.130.050 and 1973 2nd ex.s. c 37 s 5 are each amended to read as follows:

~~((+))~~ Notwithstanding any other provision of this chapter employees affected by the closure of a state facility as defined in RCW 43.130.020(2) who were employed as of May 1, 1973 at such facility, and who are still in employment of the state or on an official leave of absence as of September 26, 1973, who would otherwise qualify for the enumerated benefits of this chapter are hereby declared eligible for such benefits under the following conditions:

~~((+))~~ (1) Such employee must be actively employed by the state of Washington or on an official leave of absence on September 26, 1973, and unless the early retirement or terminal pay provisions of this chapter are elected, continue to be employed or to be available for employment in a same or like job classification at not less than one full range lower than the same salary range for a period of at least thirty days thereafter;

~~((+))~~ (2) Such employee must give written notice of his or her election to avail himself or herself of such benefits within thirty days after the passage of this 1973 act or upon closure of the institution, whichever is later.

Sec. 5178. RCW 43.336.020 and 2007 c 228 s 102 are each amended to read as follows:

(1) The Washington tourism commission is created.

(2) The commission shall be cochaired by the director of the department or the director's designee, and by an industry-member representative who is elected by the commission members.

(3) The commission shall have nineteen members. In appointing members, the governor shall endeavor to balance the geographic and demographic composition of the commission to include members with special expertise from tourism organizations, local jurisdictions, and small businesses directly engaged in tourism-related activities. Before making appointments to the Washington tourism commission, the governor shall consider nominations from recognized organizations that represent the entities or interests identified in this section. Commission members shall be appointed by the governor as follows:

(a) Three members to represent the lodging industry, at least two of which shall be chosen from a list of three nominees per position submitted by the state's largest lodging industry trade association. Members should represent all property categories and different regions of the state;

(b) Three representatives from nonprofit destination marketing organizations or visitor and convention bureaus;

(c) Three industry representatives from the arts, entertainment, attractions, or recreation industry;

(d) Four private industry representatives, two from each of the business categories in this subsection:

(i) The food, beverage, and wine industries; and

(ii) The travel and transportation industries;

(e) Four legislative members, one from each major caucus of the senate, designated by the president of the senate, and one from each major caucus of the house of representatives, designated by the speaker of the house of representatives;

(f) The ((~~chairman~~)) chair of the Washington convention and trade center; and

(g) The director or the director's designee.

(4)(a) Terms of nonlegislative members shall be three years, except that initial terms shall be staggered such that terms of one-third of the initial members shall expire each year.

(b) Terms of legislative members shall be two years.

(c) Vacancies shall be appointed in the same manner as the original appointment.

(d) A member appointed by the governor may not be absent from more than fifty percent of the regularly scheduled meetings in any one calendar year. Any member who exceeds this absence limitation is deemed to have withdrawn from the office and may be replaced by the governor.

(5) Members shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(6) The commission shall meet at least four times per year, but may meet more frequently as necessary.

(7) A majority of members currently appointed constitutes a quorum.

(8) Staff support shall be provided by the department, and staff shall report to the executive director.

(9) The director, in consultation with the commission, shall appoint an executive director.

(10) The commission may adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter.

PART VI

Sec. 6001. RCW 44.04.100 and 1927 c 205 s 1 are each amended to read as follows:

Any person desiring to contest the election of any member of the legislature, may, at any time after the presumptive election of such member and before the convening of the ensuing regular session of the legislature, have the testimony of witnesses, to be used in support of such contest, taken and perpetuated, by serving not less than three days' written notice upon the member whose election he or she desires to contest, of his or her intention to institute such contest and that he or she desires to take the testimony of certain witnesses named in such notice, at a time and place named therein, before a notary public duly

commissioned and qualified and residing in the county where the presumptive member resides, giving the name of such notary public, which deposition shall be taken in the manner provided by law for the taking of depositions in civil actions in the superior court. The presumptive member of the legislature, whose election is to be contested, shall have the right to appear, in person or by counsel, at the time and place named in the notice, and cross examine any witness produced and have such cross examination made a part of such deposition, and to produce witnesses and have their depositions taken for the purpose of sustaining his or her election. The notary public before whom such deposition is taken shall transmit such depositions to the presiding officer of the senate, or house of representatives, as the case may be, in which said contest is to be instituted, in the care of the secretary of state, at the state capitol, by registered mail, and it shall be the duty of the secretary of state upon the convening of the legislature to transmit said depositions, unopened, to the presiding officer of the senate, or the house of representatives, as the case may be, to whom it is addressed, and in case such contest is instituted said depositions may be opened and read in evidence in the manner provided by law for the opening and introduction of depositions in civil actions in the superior court.

Sec. 6002. RCW 44.04.120 and 1985 c 3 s 1 are each amended to read as follows:

Each member of the senate or house of representatives when serving on official legislative business shall be entitled to receive, in lieu of per diem or any other payment, for each day or major portion thereof in which he or she is actually engaged in legislative business or business of the committee, commission, or council, notwithstanding any laws to the contrary, an allowance in an amount fixed by the secretary of the senate and chief clerk of the house, respectively, in accordance with applicable rules and resolutions of each body. Such allowance shall be reasonably calculated to reimburse expenses, exclusive of mileage, which are ordinary and necessary in the conduct of legislative business, recognizing cost variances which are encountered in different locales. The allowance authorized shall not exceed the greater of forty-four dollars per day or the maximum daily amount determined under RCW 43.03.050, as now or hereafter amended. In addition, a mileage allowance shall be paid at the rate per mile provided for in RCW 43.03.060, as now or hereafter amended, when authorized by the house, committee, commission, or council of which he or she is a member and on the business of which he or she is engaged.

Sec. 6003. RCW 44.16.010 and 1895 c 6 s 1 are each amended to read as follows:

Every (~~(chairman)~~) chair or presiding member of any committee of either the senate or house of representatives, or any joint committee of the senate or house of representatives, which, by the terms of its appointment, shall be authorized to send for persons and papers, shall have power, under the direction of such committee, to issue compulsory process for the attendance of any witness within the state whom the committee may wish to examine.

Sec. 6004. RCW 44.16.030 and 1895 c 6 s 2 are each amended to read as follows:

The (~~(chairman)~~) chair or presiding member of any committee of either the senate, house of representatives, or any joint committee thereof, shall be

authorized to administer oaths to all witnesses coming before such committee for examination; and all witnesses who shall testify in any proceeding provided for in this chapter, shall be under oath or affirmation.

Sec. 6005. RCW 44.16.040 and 1895 c 6 s 3 are each amended to read as follows:

Every such ((~~chairman~~)) chair or presiding member shall also have power, under the direction of the committee, to issue a commission for the examination of any witness who shall be without the jurisdiction of the state, or if within the state, shall be unable to attend, or who shall, for any reasons, be excused by the committee from attendance.

Sec. 6006. RCW 44.16.070 and 1895 c 6 s 6 are each amended to read as follows:

The person to whom such commission shall be directed, if he or she reside within the state and accept the trust, shall, before entering upon the execution of his or her duties, take the oath of office prescribed in the Constitution. Such commissioner shall have power to issue process to compel the attendance of witnesses, whom he or she shall be required to examine, and shall have power to administer oaths to such witnesses.

Sec. 6007. RCW 44.16.080 and 1895 c 6 s 7 are each amended to read as follows:

Unless otherwise directed by the committee, it shall in all cases be the duty of the commissioner to examine, in private, every witness attending before him or her, and not to make public the particulars of such examination, when so made in private, until the same shall be made public by order of the house or legislature appointing the committee.

Sec. 6008. RCW 44.16.090 and 1895 c 6 s 8 are each amended to read as follows:

Every witness so attending shall be examined on oath or affirmation, and his or her testimony shall be reduced to writing by the commissioner, or by some disinterested person in his or her presence and under the direction of said commissioner, and signed by the witness.

Sec. 6009. RCW 44.16.100 and 1895 c 6 s 9 are each amended to read as follows:

When a commission shall have been duly executed, the commissioner shall annex thereto the depositions of the witnesses, duly certified by him or her, and shall, without delay, transmit the same by mail, inclosed and under seal, or deliver the same, to the ((~~chairman~~)) chair of the committee by which the commission shall have been issued, or to such person as by the committee directed.

Sec. 6010. RCW 44.16.120 and 1897 c 33 s 1 are each amended to read as follows:

Any person who shall fail to attend as a witness upon any committee appointed by either the house or senate of the state of Washington, or both, after having been duly subpoenaed as provided in this chapter, or who, being in attendance as a witness before such committee, shall refuse to answer any question or produce any paper or document or book which he or she is required to answer or to produce by such committee, shall be deemed guilty of a

misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding five hundred dollars, or by imprisonment in the county jail for a term not longer than six months, or by both such fine and imprisonment.

Sec. 6011. RCW 44.16.140 and 1895 c 6 s 12 are each amended to read as follows:

A person who, being present before either house of the legislature, or any committee or joint committee thereof, or commissioner authorized to summon witnesses, wilfully refuses to be sworn or affirmed, or to answer any material and proper question, or to produce, upon reasonable notice, any material and proper books, papers or documents in his or her possession or under his or her control, shall be punished as for contempt, as hereinafter provided.

Sec. 6012. RCW 44.16.160 and 1895 c 6 s 14 are each amended to read as follows:

If any fine is imposed against any person for contempt, as hereinbefore provided, he or she shall stand committed to the county jail of the county in which the offense was committed until such fine is paid. The presiding officer of the house, fixing the fine, shall issue a warrant to the sheriff of the county where the offense was committed, commanding him or her to imprison such person in the county jail until such fine is paid, or until he or she has been imprisoned in such jail one day for every three dollars of such fine.

Sec. 6013. RCW 44.16.170 and 1895 c 6 s 16 are each amended to read as follows:

Every such committee shall keep a record of its proceedings under the provisions of this chapter, which record shall be signed by the ((~~chairman~~)) chair or presiding officer of the committee, and the same returned to the legislative body by which the committee was appointed, as a part of the report of such committee.

Sec. 6014. RCW 44.20.060 and 1969 c 6 s 5 are each amended to read as follows:

In arranging the laws, memorials and resolutions for publication, the code reviser is hereby authorized to make such corrections in the orthography, clerical errors and punctuation of the same as in his or her judgment shall be deemed essential: PROVIDED, That when any words or clauses shall be inserted, the same shall be inclosed in brackets; and no correction shall be made which changes the intent or meaning of any sentence, section or act of the legislature.

Sec. 6015. RCW 44.39.050 and 1979 c 151 s 156 are each amended to read as follows:

All expenses incurred by the committee, including salaries and expenses of employees, shall be paid upon voucher forms as provided by the director of financial management and signed by the ((~~chairman~~)) chair of the committee. Vouchers may be drawn upon funds appropriated generally by the legislature for legislative expenses or upon any special appropriation which may be provided by the legislature for the expenses of the committee.

Sec. 6016. RCW 44.39.060 and 1977 ex.s. c 328 s 17 are each amended to read as follows:

In the discharge of any duty imposed by this chapter, the committee or any personnel acting under its direction shall have the authority to examine and

inspect all properties, equipment, facilities, files, records, and accounts of any state office, department, institution, board, committee, commission, or agency; to administer oaths; and to issue subpoenas, upon approval of a majority of the members of the house or senate rules committee, to compel the attendance of witnesses and the production of any papers, books, accounts, documents, and testimony, and to cause the deposition of witnesses, either residing within or without the state, to be taken in the manner prescribed by law for taking depositions in civil actions in the superior courts.

In case of the failure of any person to comply with any subpoena issued in behalf of the committee, or on the refusal of any witness to testify to any matters regarding which he or she may be lawfully interrogated, it shall be the duty of the superior court of any county, or of the judge thereof, on application of the committee, to compel obedience by proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from such court or a refusal to testify therein.

Each witness who appears before the committee by its order, other than a state official or employee, shall receive for his attendance the fees and mileage provided for witnesses in civil cases in courts of record, which shall be audited and paid upon the presentation of proper vouchers signed by such witness and approved by the ((~~chairman~~)) chair of the committee.

Sec. 6017. RCW 44.48.050 and 2001 c 259 s 13 are each amended to read as follows:

Subject to RCW 44.04.260, all expenses incurred by the committee, including salaries and expenses of employees, shall be paid upon voucher forms as provided by the administrator and signed by the ((~~chairman~~)) chair or vice ((~~chairman~~)) chair of the committee and attested by the secretary of said committee, and the authority of said ((~~chairman~~)) chair and secretary to sign vouchers shall continue until their successors are selected after each ensuing session of the legislature. Vouchers may be drawn on funds appropriated by law for the committee: PROVIDED, That the senate and the house may authorize the committee to draw on funds appropriated by the legislature for legislative expenses.

Sec. 6018. RCW 44.48.060 and 1977 ex.s. c 373 s 6 are each amended to read as follows:

The committee shall have the power and duty to appoint its own ((~~chairman~~)) chair, vice ((~~chairman~~)) chair, and other officers; and to make rules for orderly procedure.

Sec. 6019. RCW 44.48.110 and 1977 ex.s. c 373 s 11 are each amended to read as follows:

Each person who appears before the committee, other than a state official or employee, may upon request receive for attendance the fees and mileage provided for witnesses in civil cases in courts of record in accordance with the provisions of RCW 2.40.010, which shall be audited and paid upon the presentation of proper vouchers signed by such person and approved by the secretary and ((~~chairman~~)) chair of the committee.

PART VII

Sec. 7001. RCW 48.02.010 and 1947 c 79 s .02.01 are each amended to read as follows:

(1) There shall be an insurance commissioner of this state who shall be elected at the time and in the manner that other state officers are elected.

(2) The commissioner in office at the effective date of this code shall continue in office for the remainder of the term for which he or she was elected and until his or her successor is duly elected and qualified.

(3) "Commissioner," where used in this code, means the insurance commissioner of this state.

Sec. 7002. RCW 48.02.020 and 1947 c 79 s .02.02 are each amended to read as follows:

The term of office of the commissioner shall be four years, commencing on the Wednesday after the second Monday in January after his or her election.

Sec. 7003. RCW 48.02.030 and 1947 c 79 s .02.03 are each amended to read as follows:

Before entering upon his or her duties the commissioner shall execute a bond to the state in the sum of twenty-five thousand dollars, to be approved by the state treasurer and the attorney general, conditioned upon the faithful performance of the duties of his or her office.

**Sec. 7004. RCW 48.02.060 and 1947 c 79 s .02.06 are each amended to read as follows:*

(1) The commissioner shall have the authority expressly conferred upon him by or reasonably implied from the provisions of this code.

(2) The commissioner shall execute his duties and shall enforce the provisions of this code.

(3) The commissioner may:

(a) Make reasonable rules and regulations for effectuating any provision of this code, except those relating to his or her election, qualifications, or compensation. No such rules and regulations shall be effective prior to their being filed for public inspection in the commissioner's office.

(b) Conduct investigations to determine whether any person has violated any provision of this code.

(c) Conduct examinations, investigations, hearings, in addition to those specifically provided for, useful and proper for the efficient administration of any provision of this code.

**Sec. 7004 was vetoed. See message at end of chapter.*

Sec. 7005. RCW 48.02.080 and 1967 c 150 s 1 are each amended to read as follows:

(1) The commissioner may prosecute an action in any court of competent jurisdiction to enforce any order made by him or her pursuant to any provision of this code.

(2) If the commissioner has cause to believe that any person has violated any penal provision of this code or of other laws relating to insurance he or she shall certify the facts of the violation to the public prosecutor of the jurisdiction in which the offense was committed.

(3) If the commissioner has cause to believe that any person is violating or is about to violate any provision of this code or any regulation or order of the commissioner, he or she may:

(a) issue a cease and desist order; and/or

(b) bring an action in any court of competent jurisdiction to enjoin the person from continuing the violation or doing any action in furtherance thereof.

(4) The attorney general and the several prosecuting attorneys throughout the state shall prosecute or defend all proceedings brought pursuant to the provisions of this code when requested by the commissioner.

Sec. 7006. RCW 48.02.090 and 1949 c 190 s 1 are each amended to read as follows:

(1) The commissioner may appoint a chief deputy commissioner, who shall have power to perform any act or duty conferred upon the commissioner. The chief deputy commissioner shall take and subscribe the same oath of office as the commissioner, which oath shall be endorsed upon the certificate of his or her appointment and filed in the office of the secretary of state.

(2) The commissioner may appoint additional deputy commissioners for such purposes as he or she may designate.

(3) The commissioner shall be responsible for the official acts of his or her deputies, and may revoke at will the appointment of any deputy.

(4) The commissioner may employ examiners, and such actuarial, technical, and administrative assistants and clerks as he or she may need for proper discharge of his or her duties.

(5) The commissioner, or any deputy or employee of the commissioner, shall not be interested, directly or indirectly, in any insurer except as a policyholder; except, that as to such matters wherein a conflict of interests does not exist on the part of any such person, the commissioner may employ insurance actuaries or other technicians who are independently practicing their professions even though such persons are similarly employed by insurers.

(6) The commissioner may require any deputy or employee to be bonded as he or she shall deem proper but not to exceed in amount the sum of twenty-five thousand dollars. The cost of any such bond shall be borne by the state.

Sec. 7007. RCW 48.02.100 and 1947 c 79 s .02.10 are each amended to read as follows:

Any power or duty vested in the commissioner by any provision of this code may be exercised or discharged by any deputy, assistant, examiner, or employee of the commissioner acting in his or her name and by his or her authority.

Sec. 7008. RCW 48.02.110 and 1947 c 79 s .02.11 are each amended to read as follows:

The commissioner shall have an office at the state capital, and may maintain such offices elsewhere in this state as he or she may deem necessary.

Sec. 7009. RCW 48.02.130 and 1947 c 79 s .02.13 are each amended to read as follows:

(1) Any certificate or license issued by the commissioner shall bear the seal of his or her office.

(2) Copies of records or documents in his or her office certified to by the commissioner shall be received as evidence in all courts in the same manner and to the same effect as if they were the originals.

(3) When required for evidence in court, the commissioner shall furnish his or her certificate as to the authority of an insurer or other licensee in this state on any particular date, and the court shall receive the certificate in lieu of the commissioner's testimony.

Sec. 7010. RCW 48.02.140 and 1947 c 79 s .02.14 are each amended to read as follows:

(1) The commissioner shall to the extent he or she deems useful for the proper discharge of his or her responsibilities under the provisions of this code:

(a) Consult and cooperate with the public officials having supervision over insurance in other states.

(b) Share jointly with other states in the employment of actuaries, statisticians, and other insurance technicians whose services or the products thereof are made available and are useful to the participating states and to the commissioner.

(c) Share jointly with other states in establishing and maintaining offices and clerical facilities for purposes useful to the participating states and to the commissioner.

(2) All arrangements made jointly with other states under items (b) and (c) of subsection (1) of this section shall be in writing executed on behalf of this state by the commissioner. Any such arrangement, as to participation of this state therein, shall be subject to termination by the commissioner at any time upon reasonable notice.

(3) For the purposes of this code "National Association of Insurance Commissioners" means that voluntary organization of the public officials having supervision of insurance in the respective states, districts, and territories of the United States, whatever other name such organization may hereafter adopt, and in the affairs of which each of such public officials is entitled to participate subject to the constitution and bylaws of such organization.

Sec. 7011. RCW 48.02.150 and 1947 c 79 s .02.15 are each amended to read as follows:

The commissioner shall purchase at the expense of the state and in the manner provided by law:

(1) Printing, books, reports, furniture, equipment, and supplies as he or she deems necessary to the proper discharge of his or her duties under this code.

(2) "Convention form" insurers' annual statement blanks, which he or she may purchase from any printer manufacturing the forms for the various states.

Sec. 7012. RCW 48.02.170 and 1987 c 505 s 53 are each amended to read as follows:

The commissioner shall, as soon as accurate preparation enables, prepare a report of his or her official transactions during the preceding fiscal year, containing information relative to insurance as the commissioner deems proper.

Sec. 7013. RCW 48.03.030 and 1947 c 79 s .03.03 are each amended to read as follows:

(1) Every person being examined, its officers, employees, and representatives shall produce and make freely accessible to the commissioner the accounts, records, documents, and files in his or her possession or control relating to the subject of the examination, and shall otherwise facilitate the examination.

(2) If the commissioner finds the accounts to be inadequate, or improperly kept or posted, he or she may employ experts to rewrite, post or balance them at the expense of the person being examined.

Sec. 7014. RCW 48.04.030 and 1947 c 79 s .04.03 are each amended to read as follows:

The hearing shall be held at the place designated by the commissioner, and at his or her discretion it may be open to the public.

Sec. 7015. RCW 48.05.110 and 1947 c 79 s .05.11 are each amended to read as follows:

If the commissioner finds that an insurer has met the requirements for and is fully entitled thereto under this code, he or she shall issue to it a proper certificate of authority. If the commissioner does not so find, the authority shall be refused within a reasonable length of time following completion by the insurer of the application therefor.

Sec. 7016. RCW 48.05.150 and 1947 c 79 s .05.15 are each amended to read as follows:

The commissioner shall give an insurer notice of his or her intention to suspend, revoke, or refuse to renew its certificate of authority not less than ten days before the order of suspension, revocation or refusal is to become effective; except that no advance notice of intention is required where the order results from a domestic insurer's failure to make good a deficiency of assets as required by the commissioner.

Sec. 7017. RCW 48.05.160 and 1947 c 79 s .05.16 are each amended to read as follows:

The commissioner shall not suspend an insurer's certificate of authority for a period in excess of one year, and he or she shall state in his or her order of suspension the period during which it shall be effective.

Sec. 7018. RCW 48.05.210 and 1981 c 339 s 3 are each amended to read as follows:

(1) Duplicate copies of legal process against an insurer for whom the commissioner is attorney shall be served upon him or her either by a person competent to serve a summons, or by registered mail. At the time of service the plaintiff shall pay to the commissioner ten dollars, taxable as costs in the action.

(2) The commissioner shall forthwith send one of the copies of the process, by registered mail with return receipt requested, to the person designated for the purpose by the insurer in its most recent such designation filed with the commissioner.

(3) The commissioner shall keep a record of the day and hour of service upon him or her of all legal process. No proceedings shall be had against the insurer, and the insurer shall not be required to appear, plead, or answer until the expiration of forty days after the date of service upon the commissioner.

Sec. 7019. RCW 48.05.290 and 1947 c 79 s .05.29 are each amended to read as follows:

(1) No insurer shall withdraw from this state until its direct liability to its policyholders and obligees under all its insurance contracts then in force in this state has been assumed by another authorized insurer under an agreement approved by the commissioner. In the case of a life insurer, its liability pursuant

to contracts issued in this state in settlement of proceeds under its policies shall likewise be so assumed.

(2) The commissioner may waive this requirement if he or she finds upon examination that a withdrawing insurer is then fully solvent and that the protection to be given its policyholders in this state will not be impaired by the waiver.

(3) The assuming insurer shall within a reasonable time replace the assumed insurance contracts with its own, or by endorsement thereon acknowledge its liability thereunder.

Sec. 7020. RCW 48.05.370 and 1969 ex.s. c 241 s 1 are each amended to read as follows:

Officers and directors of an insurer or a corporation holding a controlling interest in an insurer shall be deemed to stand in a fiduciary relation to the insurer, and shall discharge the duties of their respective positions in good faith, and with that diligence, care and skill which ordinary prudent ~~((men))~~ persons would exercise under similar circumstances in like positions.

Sec. 7021. RCW 48.06.050 and 1967 c 150 s 7 are each amended to read as follows:

The commissioner shall expeditiously examine the application for a solicitation permit and make any investigation relative thereto deemed necessary. If the commissioner finds that

(1) the application is complete; and
(2) the documents therewith filed are equitable in terms and proper in form;
and

(3) the management of the company, whether by its directors, officers, or by any other means is competent and trustworthy and not so lacking in managerial experience as to make a proposed operation hazardous to the insurance-buying public; and that there is no reason to believe the company is affiliated, directly or indirectly, through ownership, control, reinsurance, or other insurance or business relations, with any other person or persons whose business operations are or have been marked, to the detriment of the policyholders or stockholders or investors or creditors or of the public, by bad faith or by manipulation of assets, or of accounts, or of reinsurance; and

(4) the agreements made or proposed are equitable to present and future shareholders, subscribers, members or policyholders, he or she shall give notice to the applicant that he or she will issue a solicitation permit, stating the terms to be contained therein, upon the filing of the bond required by RCW 48.06.110 of this code.

If the commissioner does not so find, he or she shall give notice to the applicant that the permit will not be granted, stating the grounds therefor, and shall refund to the applicant all sums so deposited except the application fee.

Sec. 7022. RCW 48.06.070 and 1953 c 197 s 1 are each amended to read as follows:

Every solicitation permit issued by the commissioner shall:

(1) Be for a period of not over two years, subject to the right of the commissioner to grant a reasonable extension for good cause.

(2) State the securities for which subscriptions are to be solicited, the number, classes, par value, and selling price thereof, or identify the insurance

contract for which applications and advance premiums or deposits are to be solicited.

(3) Limit the portion of funds received on account of stock or syndicate subscriptions, if any are proposed to be taken, which may be used for promotion and organization expenses to such amount as he or she deems adequate, but in no event to exceed fifteen percent of such funds as and when actually received.

(4) If to be a mutual or reciprocal insurer, limit the portion of funds received on account of applications for insurance which may be used for promotion or organization expenses to a reasonable commission upon such funds, giving consideration to the kind of insurance and policy involved and to the costs incurred by insurers generally in the production of similar business, and provide that no such commission shall be deemed to be earned nor be paid until the insurer has received its certificate of authority and the policies applied for and upon which such commission is to be based, have been actually issued and delivered.

(5) Contain such other information required by this chapter or reasonable conditions relative to accounting and reports or otherwise as the commissioner deems necessary.

Sec. 7023. RCW 48.06.100 and 1947 c 79 s .06.10 are each amended to read as follows:

(1) The commissioner may, for cause, modify a solicitation permit, or may, after a hearing, revoke any solicitation permit for violation of any provision of this code, or of the terms of the permit, or of any proper order of the commissioner, or for misrepresentation.

(2) The commissioner shall revoke a solicitation permit if requested in writing by a majority of the syndicate members, or by a majority of the incorporators and two-thirds of the subscribers to stock or applicants for insurance in the proposed incorporated insurer or corporation, or if he or she is so requested by a majority of the subscribers of a proposed reciprocal insurer.

Sec. 7024. RCW 48.06.110 and 1969 ex.s. c 241 s 2 are each amended to read as follows:

(1) The commissioner shall not issue a solicitation permit until the person applying therefor files with him or her a corporate surety bond in the penalty of fifty thousand dollars, in favor of the state and for the use and benefit of the state and of subscribers and creditors of the proposed organization.

The bond shall be conditioned upon the payment of costs incurred by the state in event of any legal proceedings for liquidation or dissolution of the proposed organization before completion of organization or in event a certificate of authority is not granted; and upon a full accounting for funds received until the proposed insurer has been granted its certificate of authority, or until the proposed corporation or syndicate has completed its organization as defined in the solicitation permit.

(2) In lieu of filing such bond, the person may deposit with the commissioner fifty thousand dollars in cash or in United States government bonds at par value, to be held in trust upon the same conditions as required for the bond.

(3) The commissioner may waive the requirement for a bond or deposit in lieu thereof if the permit provides that:

(a) The proposed securities are to be distributed solely and finally to those few persons who are the active promoters intimate to the formation of the insurer, or other corporation or syndicate, or

(b) The securities are to be issued in connection with subsequent financing as provided in RCW 48.06.180.

(4) Any bond filed or deposit or remaining portion thereof held under this section shall be released and discharged upon settlement or termination of all liabilities against it.

Sec. 7025. RCW 48.06.180 and 1949 c 190 s 6 are each amended to read as follows:

(1) No domestic insurer, or insurance holding corporation, or stock corporation for financing operations of a mutual insurer, or attorney-in-fact corporation of a reciprocal insurer, after

(a) it has received a certificate of authority, if an insurer, or

(b) it has completed its initial organization and financing if a corporation other than an insurer, shall solicit or receive funds in exchange for any new issue of its corporate securities, other than through a stock dividend, until it has applied to the commissioner for, and has been granted, a solicitation permit.

(2) The commissioner shall issue such a permit unless he or she finds that:

(a) The funds proposed to be secured are excessive in amount for the purpose intended, or

(b) the proposed securities or the manner of their distribution are inequitable, or

(c) the issuance of the securities would jeopardize the interests of policyholders or the holders of other securities of the insurer or corporation.

(3) Any such solicitation permit granted by the commissioner shall be for such duration, and shall contain such terms and be issued upon such conditions as the commissioner may reasonably specify or require.

Sec. 7026. RCW 48.07.080 and 1947 c 79 s .07.08 are each amended to read as follows:

No domestic insurer or its affiliates or subsidiaries shall guarantee the financial obligation of any director or officer of such insurer or affiliate or subsidiary in his or her personal capacity, and any such guaranty attempted shall be void.

This prohibition shall not apply to obligations of the insurer under surety bonds or insurance contracts issued in the regular course of business.

Sec. 7027. RCW 48.07.150 and 1988 c 248 s 4 are each amended to read as follows:

(1) No domestic insurer shall knowingly solicit insurance business in any reciprocating state in which it is not then licensed as an authorized insurer.

(2) This section shall not prohibit advertising through publications and radio broadcasts originating outside such reciprocating state, if the insurer is licensed in a majority of the states in which such advertising is disseminated, and if such advertising is not specifically directed to residents of such reciprocating state.

(3) This section shall not prohibit insurance, covering persons or risks located in a reciprocating state, under contracts solicited and issued in states in which the insurer is then licensed. Nor shall it prohibit insurance effectuated by the insurer as an unauthorized insurer in accordance with the laws of the

reciprocating state. Nor shall it prohibit renewal or continuance in force, with or without modification, of contracts otherwise lawful and which were not originally executed in violation of this section.

(4) A "reciprocating" state, as used herein, is one under the laws of which a similar prohibition is imposed upon and is enforced against insurers domiciled in that state.

(5) The commissioner shall suspend or revoke the certificate of authority of a domestic insurer found by him or her, after a hearing, to have violated this section.

Sec. 7028. RCW 48.08.020 and 1947 c 79 s .08.02 are each amended to read as follows:

(1) Reduction of the capital stock of a domestic stock insurer shall be by amendment of its articles of incorporation. No such reduction shall be made which results in capital stock less in amount than the minimum required by this code for the kinds of insurance thereafter to be transacted by the insurer.

(2) No surplus funds of the insurer resulting from a reduction of its capital stock shall be distributed to stockholders, except as a stock dividend on a subsequent increase of capital stock, or upon dissolution of the insurer, or upon approval of the commissioner of a distribution upon proof satisfactory to him or her that the distribution will not impair the interests of policyholders or the insurer's solvency.

(3) Upon such reduction of capital stock, the insurer's directors shall call in any outstanding stock certificates required to be changed pursuant thereto, and issue proper certificates in their stead.

Sec. 7029. RCW 48.08.090 and 1965 ex.s. c 70 s 5 are each amended to read as follows:

(1) This section shall apply to all domestic stock insurers except:

(a) A domestic stock insurer having less than one hundred stockholders; except, that if ninety-five percent or more of the insurer's stock is owned or controlled by a parent or affiliated insurer, this section shall not apply to such insurer unless its remaining shares are held by five hundred or more stockholders.

(b) Domestic stock insurers which file with the Securities and Exchange Commission forms of proxies, consents and authorizations pursuant to the Securities and Exchange Act of 1934, as amended.

(2) Every such insurer shall seasonably furnish its stockholders in advance of stockholder meetings, information in writing reasonably adequate to inform them relative to all matters to be presented by the insurer's management for consideration of stockholders at such meeting.

(3) No person shall solicit a proxy, consent, or authorization in respect of any stock of such an insurer unless he or she furnishes the person so solicited with written information reasonably adequate as to

(a) the material matters in regard to which the powers so solicited are proposed to be used, and

(b) the person or persons on whose behalf the solicitation is made, and the interest of such person or persons in relation to such matters.

(4) No person shall so furnish to another, information which the informer knows or has reason to believe, is false or misleading as to any material fact, or

which fails to state any material fact reasonably necessary to prevent any other statement made from being misleading.

(5) The form of all such proxies shall:

(a) Conspicuously state on whose behalf the proxy is solicited;

(b) Provide for dating the proxy;

(c) Impartially identify each matter or group of related matters intended to be acted upon;

(d) Provide means for the principal to instruct the vote of his shares as to approval or disapproval of each matter or group, other than election to office; and

(e) Be legibly printed, with context suitably organized.

Except, that a proxy may confer discretionary authority as to matters as to which choice is not specified pursuant to item (d), above, if the form conspicuously states how it is intended to vote the proxy or authorization in each such case; and may confer discretionary authority as to other matters which may come before the meeting but unknown for a reasonable time prior to the solicitation by the persons on whose behalf the solicitation is made.

(6) No proxy shall confer authority (a) to vote for election of any person to any office for which a bona fide nominee is not named in the proxy statement, or (b) to vote at any annual meeting (or adjournment thereof) other than the annual meeting next following the date on which the proxy statement and form were furnished stockholders.

(7) The commissioner shall have authority to make and promulgate reasonable rules and regulations for the effectuation of this section, and in so doing shall give due consideration to rules and regulations promulgated for similar purposes by the insurance supervisory officials of other states.

Sec. 7030. RCW 48.08.100 and 1965 ex.s. c 70 s 11 are each amended to read as follows:

The term "equity security" when used in RCW 48.08.100 through 48.08.160 means any stock or similar security; or any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right; or any other security which the commissioner shall deem to be of similar nature and consider necessary or appropriate, by such rules and regulations as he or she may prescribe in the public interest or for the protection of investors, to treat as an equity security.

Sec. 7031. RCW 48.08.110 and 1965 ex.s. c 70 s 6 are each amended to read as follows:

Every person who is directly or indirectly the beneficial owner of more than ten percent of any class of any equity security of a domestic stock insurer, or who is a director or an officer of such insurer, shall file with the commissioner on or before the 30th day of September, 1965, or within ten days after he or she becomes such beneficial owner, director or officer, a statement, in such form as the commissioner may prescribe, of the amount of all equity securities of such insurer of which he or she is the beneficial owner, and within ten days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the commissioner a statement, in such form as the commissioner may prescribe, indicating his or her ownership at

the close of the calendar month and such changes in his or her ownership as have occurred during such calendar month.

Sec. 7032. RCW 48.08.120 and 1965 ex.s. c 70 s 7 are each amended to read as follows:

For the purpose of preventing the unfair use of information which may have been obtained by such beneficial owner, director or officer by reason of his or her relationship to such insurer, any profit realized by him from any purchase and sale, or any sale and purchase, of any equity security of such insurer within any period of less than six months, unless such security was acquired in good faith in connection with a debt previously contracted, shall inure to and be recoverable by the insurer, irrespective of any intention on the part of such beneficial owner, director or officer in entering into such transaction of holding the security purchased or of not repurchasing the security sold for a period exceeding six months. Suit to recover such profit may be instituted at law or in equity in any court of competent jurisdiction by the insurer, or by the owner of any security of the insurer in the name and in behalf of the insurer if the insurer shall fail or refuse to bring such suit within sixty days after request or shall fail diligently to prosecute the same thereafter: PROVIDED, That no such suit shall be brought more than two years after the date such profit was realized. This section shall not be construed to cover any transaction where such beneficial owner was not such both at the time of the purchase and sale, or the sale and purchase, of the security involved, or any transaction or transactions which the commissioner by rules and regulations may exempt as not comprehended within the purpose of this section.

Sec. 7033. RCW 48.08.130 and 1965 ex.s. c 70 s 8 are each amended to read as follows:

It shall be unlawful for any such beneficial owner, director or officer, directly or indirectly, to sell any equity security of such insurer if the person selling the security or his principal (1) does not own the security sold, or (2) if owning the security, does not deliver it against such sale within twenty days thereafter, or does not within five days after such sale deposit it in the mails or other usual channels of transportation: PROVIDED, That no person shall be deemed to have violated this section if he or she proves that notwithstanding the exercise of good faith he or she was unable to make such delivery or deposit within such time, or that to do so would cause undue inconvenience or expense.

Sec. 7034. RCW 48.08.140 and 1965 ex.s. c 70 s 9 are each amended to read as follows:

The provisions of RCW 48.08.120 shall not apply to any purchase and sale, or sale and purchase, and the provisions of RCW 48.08.130 shall not apply to any sale of an equity security of a domestic stock insurer not then or theretofore held by him or her in an investment account, by a dealer in the ordinary course of his or her business and incident to the establishment or maintenance by him or her of a primary or secondary market (otherwise than on an exchange as defined in the Securities Exchange Act of 1934) for such security. The commissioner may, by such rules and regulations as he or she deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary

course of business and incident to the establishment or maintenance of a primary or secondary market.

Sec. 7035. RCW 48.08.170 and 1965 ex.s. c 70 s 13 are each amended to read as follows:

The commissioner shall have the power to make such rules and regulations as may be necessary for the execution of the functions vested in him or her by RCW 48.08.100 through 48.08.160, and may for such purpose classify domestic stock insurers, securities, and other persons or matters within his jurisdiction. No provision of RCW 48.08.110, 48.08.120, and 48.08.130 imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule or regulation of the commissioner, notwithstanding that such rule or regulation may, after such act or omission, be amended or rescinded or determined by judicial or other authority to be invalid for any reason.

Sec. 7036. RCW 48.09.130 and 1947 c 79 s .09.13 are each amended to read as follows:

A domestic mutual insurer shall adopt bylaws for the conduct of its affairs. Such bylaws, or any modification thereof, shall forthwith be filed with the commissioner. The commissioner shall disapprove any such bylaws, or as so modified, if he or she finds after a hearing thereon, that it is not in compliance with the laws of this state, and he or she shall forthwith communicate such disapproval to the insurer. No such bylaw, or modification, so disapproved shall be effective during the existence of such disapproval.

Sec. 7037. RCW 48.09.160 and 1947 c 79 s .09.16 are each amended to read as follows:

No individual shall be a director of a domestic mutual insurer by reason of his or her holding public office. Adjudication as a bankrupt or taking the benefit of any insolvency law or making a general assignment for the benefit of creditors disqualifies an individual from being or acting as a director.

Sec. 7038. RCW 48.09.220 and 1949 c 190 s 9 are each amended to read as follows:

(1) Each member of a domestic mutual insurer, except as otherwise provided in this chapter, shall have a contingent liability, pro rata and not one for another, for the discharge of its obligations. The contingent liability shall be in such maximum amount as is stated in the insurer's articles of incorporation, but shall be not less than one, nor more than five, additional premiums for the member's policy at the annual premium rate and for a term of one year.

(2) Every policy issued by the insurer shall contain a statement of the contingent liability.

(3) Termination of the policy of any such member shall not relieve the member of contingent liability for his or her proportion of the obligations of the insurer which accrued while the policy was in force.

Sec. 7039. RCW 48.09.230 and 1949 c 190 s 10 are each amended to read as follows:

(1) If at any time the assets of a domestic mutual insurer doing business on the cash premium plan are less than its liabilities and the minimum surplus, if any, required of it by this code as prerequisite for continuance of its certificate of authority, and the deficiency is not cured from other sources, its directors may, if approved by the commissioner, make an assessment only on its members who at

any time within the twelve months immediately preceding the date such assessment was authorized by its directors held policies providing for contingent liability.

(2) Such an assessment shall be for such an amount of money as is required, in the opinion of the commissioner, to render the insurer fully solvent, but not to result in surplus in excess of five percent of the insurer's liabilities as of the date of the assessment.

(3) A member's proportionate part of any such assessment shall be computed by applying to the premium earned, during the period since the deficiency first appeared, on his or her contingently liable policy or policies the ratio of the total assessment to the total premium earned during such period on all contingently liable policies which are subject to the assessment.

(4) No member shall have an offset against any assessment for which he or she is liable on account of any claim for unearned premium or losses payable.

Sec. 7040. RCW 48.09.270 and 1963 c 195 s 4 are each amended to read as follows:

(1) A domestic mutual insurer on the cash premium plan, after it has established a surplus not less in amount than the minimum capital funds required of a domestic stock insurer to transact like kinds of insurance, and for so long as it maintains such surplus, may extinguish the contingent liability of its members to assessment and omit provisions imposing contingent liability in all policies currently issued.

(2) Any deposit made with the commissioner as a prerequisite to the insurer's certificate of authority may be included as part of the surplus required in this section.

(3) When the surplus has been so established and the commissioner has so ascertained, he or she shall issue to the insurer, at its request, his or her certificate authorizing the extinguishment of the contingent liability of its members and the issuance of policies free therefrom.

(4) While it maintains surplus funds in amount not less than the minimum capital required of a domestic stock insurer authorized to transact like kinds of insurance, and subject to the requirements of RCW 48.05.360 as to special surplus, a foreign or alien mutual insurer on the cash premium plan may, if consistent with its charter and the laws of its domicile, issue nonassessable policies covering subjects located, resident, or to be performed in this state.

Sec. 7041. RCW 48.10.140 and 1947 c 79 s .10.14 are each amended to read as follows:

(1) Concurrently with the filing of the declaration provided for in RCW 48.10.090, (or, if an existing domestic reciprocal insurer, within ninety days after the effective date of this code) the attorney of a domestic reciprocal shall file with the commissioner a bond running to the state of Washington. The bond shall be executed by the attorney and by an authorized corporate surety, and shall be subject to the commissioner's approval.

(2) The bond shall be in the penal sum of twenty-five thousand dollars, conditioned that the attorney will faithfully account for all moneys and other property of the insurer coming into his or her hands, and that he or she will not withdraw or appropriate for his or her own use from the funds of the insurer any

moneys or property to which he or she is not entitled under the power of attorney.

(3) The bond shall provide that it is not subject to cancellation unless thirty days advance notice in writing of intent to cancel is given to both the attorney and the commissioner.

Sec. 7042. RCW 48.10.170 and 1947 c 79 s .10.17 are each amended to read as follows:

(1) A certificate of authority shall not be issued to a domestic reciprocal insurer unless prior thereto the attorney has executed and filed with the commissioner the insurer's irrevocable authorization of the commissioner to receive legal process issued in this state against the insurer upon any cause of action arising within this state.

(2) The provisions of RCW 48.05.210 shall apply to service of such process upon the commissioner.

(3) In lieu of service on the commissioner, legal process may be served upon a domestic reciprocal insurer by serving the insurer's attorney at his or her principal offices.

(4) Any judgment against the insurer based upon legal process so served shall be binding upon each of the insurer's subscribers as their respective interests may appear and in an amount not exceeding their respective contingent liabilities.

Sec. 7043. RCW 48.10.200 and 1947 c 79 s .10.20 are each amended to read as follows:

In determining the financial condition of a reciprocal insurer the commissioner shall apply the following rules:

(1) He or she shall charge as liabilities the same reserves as are required of incorporated insurers issuing nonassessable policies on a reserve basis.

(2) The surplus deposits of subscribers shall be allowed as assets, except that any premium deposit delinquent for ninety days shall first be charged against such surplus deposit.

(3) The surplus deposits of subscribers shall not be charged as a liability.

(4) All premium deposits delinquent less than ninety days shall be allowed as assets.

(5) An assessment levied upon subscribers, and not collected, shall not be allowed as an asset.

(6) The contingent liability of subscribers shall not be allowed as an asset.

(7) The computation of reserves shall be based upon premium deposits other than membership fees and without any deduction for the compensation of the attorney.

Sec. 7044. RCW 48.10.250 and 1947 c 79 s .10.25 are each amended to read as follows:

(1) The liability of each subscriber subject to assessment for the obligations of the reciprocal insurer shall not be joint, but shall be individual and several.

(2) Each subscriber who is subject to assessment shall have a contingent assessment liability, in the amount provided for in the power of attorney or in the subscribers' agreement, for payment of actual losses and expenses incurred while his or her policy was in force. Such contingent liability may be at the rate of not less than one nor more than ten times the premium or premium deposit stated in

the policy, and the maximum aggregate thereof shall be computed in the manner set forth in RCW 48.10.290.

(3) Each assessable policy issued by the insurer shall plainly set forth a statement of the contingent liability.

Sec. 7045. RCW 48.10.260 and 1947 c 79 s .10.26 are each amended to read as follows:

(1) No action shall lie against any subscriber upon any obligation claimed against the insurer until a final judgment has been obtained against the insurer and remains unsatisfied for thirty days.

(2) Any such judgment shall be binding upon each subscriber only in such proportion as his or her interests may appear and in an amount not exceeding his or her contingent liability, if any.

Sec. 7046. RCW 48.10.270 and 1947 c 79 s .10.27 are each amended to read as follows:

(1) Assessments may be levied from time to time upon the subscribers of a domestic reciprocal insurer, other than as to nonassessable policies, by the attorney upon approval in advance by the subscribers' advisory committee and the commissioner; or by the commissioner in liquidation of the insurer.

(2) Each such subscriber's share of a deficiency for which an assessment is made, not exceeding in any event his or her aggregate contingent liability as computed in accordance with RCW 48.10.290, shall be computed by applying to the premium earned on the subscriber's policy or policies during the period to be covered by the assessment, the ratio of the total deficiency to the total premiums earned during such period upon all policies subject to the assessment.

(3) In computing the earned premiums for the purposes of this section, the gross premium received by the insurer for the policy shall be used as a base, deducting therefrom solely charges not recurring upon the renewal or extension of the policy.

(4) No subscriber shall have an offset against any assessment for which he or she is liable, on account of any claim for unearned premium or losses payable.

Sec. 7047. RCW 48.10.280 and 1947 c 79 s .10.28 are each amended to read as follows:

Every subscriber of a domestic reciprocal insurer having contingent liability shall be liable for, and shall pay his or her share of any assessment, as computed and limited in accordance with this chapter, if:

(1) While his or her policy is in force or within one year after its termination, he or she is notified by either the attorney or the commissioner of his or her intention to levy such assessment; or

(2) If an order to show cause why a receiver, conservator, rehabilitator, or liquidator of the insurer should not be appointed is issued pursuant to RCW 48.31.190 while his or her policy is in force or within one year after its termination.

Sec. 7048. RCW 48.10.300 and 1983 c 3 s 148 are each amended to read as follows:

(1) Subject to the special surplus requirements of RCW 48.05.360, if a reciprocal insurer has a surplus of assets over all liabilities at least equal to the minimum capital stock required of a domestic stock insurer authorized to transact like kinds of insurance, upon application of the attorney and as approved

by the subscribers' advisory committee the commissioner shall issue his or her certificate authorizing the insurer to extinguish the contingent liability of subscribers under its policies then in force in this state, and to omit provisions imposing contingent liability in all policies delivered or issued for delivery in this state for so long as all such surplus remains unimpaired.

(2) Upon impairment of such surplus, the commissioner shall forthwith revoke the certificate. No policy shall thereafter be issued or renewed without providing for the contingent assessment liability of subscribers.

(3) The commissioner shall not authorize a domestic reciprocal insurer so to extinguish the contingent liability of any of its subscribers or in any of its policies to be issued, unless it qualifies to and does extinguish such liability of all its subscribers and in all such policies for all kinds of insurance transacted by it. Except, that if required by the laws of another state in which the insurer is transacting insurance as an authorized insurer, the insurer may issue policies providing for the contingent liability of such of its subscribers as may acquire such policies in such state, and need not extinguish the contingent liability applicable to policies theretofore in force in such state.

Sec. 7049. RCW 48.10.330 and 1947 c 79 s .10.33 are each amended to read as follows:

(1) A domestic reciprocal insurer, upon affirmative vote of not less than two-thirds of the subscribers who vote upon such merger pursuant to such notice as may be approved by the commissioner and with the approval of the commissioner of the terms thereof, may merge with another reciprocal insurer or be converted to a stock or mutual insurer.

(2) Such a stock or mutual insurer shall be subject to the same capital requirements and shall have the same rights as a like domestic insurer transacting like kinds of insurance.

(3) The commissioner shall not approve any plan for such merger or conversion which is inequitable to subscribers, or which, if for conversion to a stock insurer, does not give each subscriber preferential right to acquire stock of the proposed insurer proportionate to his or her interest in the reciprocal insurer as determined in accordance with RCW 48.10.320 and a reasonable length of time within which to exercise such right.

Sec. 7050. RCW 48.10.340 and 1947 c 79 s .10.34 are each amended to read as follows:

(1) If the assets of a domestic reciprocal insurer are at any time insufficient to discharge its liabilities other than any liability on account of funds contributed by the attorney, and to maintain the surplus required for the kinds of insurance it is authorized to transact, its attorney shall forthwith levy an assessment upon subscribers made subject to assessment by the terms of their policies for the amount needed to make up the deficiency.

(2) If the attorney fails to make the assessment within thirty days after the commissioner orders him or her to do so, or if the deficiency is not fully made up within sixty days after the date the assessment was made, the insurer shall be deemed insolvent and shall be proceeded against as authorized by this code.

(3) If liquidation of such an insurer is ordered, an assessment shall be levied upon the subscribers for such an amount, subject to limits as provided by this chapter, as the commissioner determines to be necessary to discharge all

liabilities of the insurer, exclusive of any funds contributed by the attorney, but including the reasonable cost of the liquidation.

Sec. 7051. RCW 48.11.080 and 1967 c 150 s 8 are each amended to read as follows:

"Surety insurance" includes:

- (1) Credit insurance as defined in subdivision (9) of RCW 48.11.070.
- (2) Bail bond insurance.
- (3) Fidelity insurance, which is insurance guaranteeing the fidelity of persons holding positions of public or private trust.
- (4) Guaranteeing the performance of contracts, other than insurance policies, and guaranteeing and executing bonds, undertakings, and contracts of suretyship.
- (5) Indemnifying banks, bankers, brokers, financial or moneyed corporations or associations against loss resulting from any cause of bills of exchange, notes, bonds, securities, evidence of debts, deeds, mortgages, warehouse receipts, or other valuable papers, documents, money, precious metals and articles made therefrom, jewelry, watches, necklaces, bracelets, gems, precious and semi-precious stones, including any loss while the same are being transported in armored motor vehicles, or by messenger, but not including any other risks of transportation or navigation; also against loss or damage to such an insured's premises, or to his or her furnishings, fixtures, equipment, safes and vaults therein, caused by burglary, robbery, theft, vandalism or malicious mischief, or any attempt thereat.

Sec. 7052. RCW 48.12.010 and 2007 c 80 s 2 are each amended to read as follows:

In any determination of the financial condition of any insurer there shall be allowed as assets only such assets as belong wholly and exclusively to the insurer, which are registered, recorded, or held under the insurer's name, and which consist of:

- (1) Cash in the possession of the insurer or in transit under its control, and the true balance of any deposit of the insurer in a solvent bank or trust company;
- (2) Investments, securities, properties, and loans acquired or held in accordance with this code, and in connection therewith the following items:
 - (a) Interest due or accrued on any bond or evidence of indebtedness which is not in default and which is not valued on a basis including accrued interest.
 - (b) Declared and unpaid dividends on stocks and shares unless such amount has otherwise been allowed as an asset.
 - (c) Interest due or accrued upon a collateral loan in an amount not to exceed one year's interest thereon.
 - (d) Interest due or accrued on deposits in solvent banks and trust companies, and interest due or accrued on other assets if such interest is in the judgment of the commissioner a collectible asset.
 - (e) Interest due or accrued on a mortgage loan, in amount not exceeding in any event the amount, if any, of the difference between the unpaid principal and the value of the property less delinquent taxes thereon; but if any interest on the loan is in default more than one hundred eighty days, or if any interest on the loan is in default and any taxes or any installment thereof on the property are and

have been due and unpaid for more than one hundred eighty days, no allowance shall be made for any interest on the loan.

(f) Rent due or accrued on real property if such rent is not in arrears for more than three months.

(3) Premium notes, policy loans, and other policy assets and liens on policies of life insurance, in amount not exceeding the legal reserve and other policy liabilities carried on each individual policy;

(4) The net amount of uncollected and deferred premiums in the case of a life insurer which carries the full annual mean tabular reserve liability;

(5) Premiums in the course of collection, other than for life insurance, not more than ninety days past due, less commissions payable thereon. The foregoing limitation shall not apply to premiums payable directly or indirectly by the United States government or any of its instrumentalities;

(6) Installment premiums other than life insurance premiums, in accordance with regulations prescribed by the commissioner consistent with practice formulated or adopted by the National Association of Insurance Commissioners;

(7) Notes and like written obligations not past due, taken for premiums other than life insurance premiums, on policies permitted to be issued on such basis, to the extent of the unearned premium reserves carried thereon and unless otherwise required by regulation prescribed by the commissioner;

(8) Reinsurance recoverable subject to RCW 48.12.160;

(9) Amounts receivable by an assuming insurer representing funds withheld by a solvent ceding insurer under a reinsurance treaty;

(10) Deposits or equities recoverable from underwriting associations, syndicates and reinsurance funds, or from any suspended banking institution, to the extent deemed by the commissioner available for the payment of losses and claims and at values to be determined by him or her;

(11) Electronic and mechanical machines constituting a data processing and accounting system if the cost of such system is at least twenty-five thousand dollars, which cost shall be amortized in full over a period not to exceed three calendar years; and

(12) Other assets, not inconsistent with the foregoing provisions, deemed by the commissioner available for the payment of losses and claims, at values to be determined by him or her.

Sec. 7053. RCW 48.12.080 and 1947 c 79 s .12.08 are each amended to read as follows:

(1) If the commissioner determines that an insurer's unearned premium reserves, however computed, are inadequate, he or she may require the insurer to compute such reserves or any part thereof according to such other method or methods as are prescribed in this chapter.

(2) If the loss experience of an insurer shows that its loss reserves, however estimated, are inadequate, the commissioner shall require the insurer to maintain loss reserves in such increased amount as is needed to make them adequate.

Sec. 7054. RCW 48.12.140 and 1987 c 185 s 22 are each amended to read as follows:

"Loss payments" and "loss expense payments" as used with reference to liability and workers' compensation insurances shall include all payments to claimants, payments for medical and surgical attendance, legal expenses,

salaries and expenses of investigators, adjusters and claims field ~~((men))~~ representatives, rents, stationery, telegraph and telephone charges, postage, salaries and expenses of office employees, home office expenses and all other payments made on account of claims, whether such payments are allocated to specific claims or are unallocated.

Sec. 7055. RCW 48.13.350 and 1949 c 190 s 20 are each amended to read as follows:

(1) As to each investment or loan of the funds of a domestic insurer a written record in permanent form showing the authorization thereof shall be made and signed by an officer of the insurer or by the ~~((chairman))~~ chair of such committee authorizing the investment or loan.

(2) As to each such investment or loan the insurer's records shall contain:

(a) In the case of loans: The name of the borrower; the location and legal description of the property; a physical description, and the appraised value of the security; the amount of the loan, rate of interest and terms of repayment.

(b) In the case of securities: The name of the obligor; a description of the security and the record of earnings; the amount invested, the rate of interest or dividend, the maturity and yield based upon the purchase price.

(c) In the case of real estate: The location and legal description of the property; a physical description and the appraised value; the purchase price and terms.

(d) In the case of all investments:

(i) The amount of expenses and commissions if any incurred on account of any investment or loan and by whom and to whom payable if not covered by contracts with mortgage loan representatives or correspondents which are part of the insurer's records.

(ii) The name of any officer or director of the insurer having any direct, indirect, or contingent interest in the securities or loan representing the investment, or in the assets of the person in whose behalf the investment or loan is made, and the nature of such interest.

Sec. 7056. RCW 48.14.070 and 1979 ex.s. c 130 s 2 are each amended to read as follows:

In event any person has paid to the commissioner any tax, license fee or other charge in error or in excess of that which he or she is lawfully obligated to pay, the commissioner shall upon written request made to him or her make a refund thereof. A person may only request a refund of taxes within six years from the date the taxes were paid. A person may only request a refund of fees or charges other than taxes within thirteen months of the date the fees or charges were paid. Refunds may be made either by crediting the amount toward payment of charges due or to become due from such person, or by making a cash refund. To facilitate such cash refunds the commissioner may establish a revolving fund out of funds appropriated by the legislature for his use.

***Sec. 7057.** *RCW 48.15.100 and 1955 c 303 s 6 are each amended to read as follows:*

(1) Each licensed surplus line broker shall keep a full and true record of each surplus line contract procured by him or her including a copy of the daily report, if any, showing such of the following items as may be applicable:

(a) Amount of the insurance;

- (b) Gross premiums charged;*
- (c) Return premium paid, if any;*
- (d) Rate of premium charged upon the several items of property;*
- (e) Effective date of the contract, and the terms thereof;*
- (f) Name and address of the insurer;*
- (g) Name and address of the insured;*
- (h) Brief general description of property insured and where located;*
- (i) Other information as may be required by the commissioner.*

(2) All such records as to any particular transaction shall be kept available and open to the inspection of the commissioner at any business time during the five years next following the date of completion of such transaction.

**Sec. 7057 was vetoed. See message at end of chapter.*

Sec. 7058. RCW 48.15.110 and 1955 c 303 s 7 are each amended to read as follows:

(1) Each surplus line broker shall on or before the first day of March of each year file with the commissioner a verified statement of all surplus line insurance transacted by him or her during the preceding calendar year.

(2) The statement shall be on forms as prescribed and furnished by the commissioner and shall show:

- (a) Aggregate of net premiums;
- (b) Additional information as required by the commissioner.

Sec. 7059. RCW 48.15.120 and 1947 c 79 s .15.12 are each amended to read as follows:

(1) On or before the first day of March of each year each surplus line broker shall remit to the state treasurer through the commissioner a tax on the premiums, exclusive of sums collected to cover federal and state taxes and examination fees, on surplus line insurance subject to tax transacted by him or her during the preceding calendar year as shown by his or her annual statement filed with the commissioner, and at the same rate as is applicable to the premiums of authorized foreign insurers under this code. Such tax when collected shall be credited to the general fund.

(2) If a surplus line policy covers risks or exposures only partially in this state the tax so payable shall be computed upon the proportion of the premium which is properly allocable to the risks or exposures located in this state.

Sec. 7060. RCW 48.15.170 and 1947 c 79 s .15.17 are each amended to read as follows:

Every person for whom insurance has been placed with an unauthorized insurer pursuant to or in violation of this chapter shall, upon the commissioner's order, produce for his or her examination all policies and other documents evidencing the insurance, and shall disclose to the commissioner the amount of the gross premiums paid or agreed to be paid for the insurance. For each refusal to obey such order, such person shall be liable to a fine of not more than five hundred dollars.

Sec. 7061. RCW 48.16.080 and 1955 c 86 s 9 are each amended to read as follows:

The state of Washington shall be responsible for the safekeeping and return of all funds and securities deposited pursuant to this chapter with the commissioner or in any such depository so designated by him or her.

Sec. 7062. RCW 48.16.100 and 1947 c 79 s .16.10 are each amended to read as follows:

(1) Any such required deposit shall be released in these instances only:

(a) Upon extinguishment of all liabilities of the insurer for the security of which the deposit is held, by reinsurance contract or otherwise.

(b) If any such deposit or portion thereof is no longer required under this code.

(c) If the deposit has been made pursuant to the retaliatory provision, RCW 48.14.040, it shall be released in whole or in part when no longer so required.

(d) Upon proper order of a court of competent jurisdiction the deposit shall be released to the receiver, conservator, rehabilitator, or liquidator of the insurer for whose account the deposit is held.

(2) No such release shall be made except on application to and written order of the commissioner made upon proof satisfactory to him or her of the existence of one of such grounds therefor. The commissioner shall have no personal liability for any such release of any deposit or part thereof so made by him or her in good faith.

(3) All releases of deposits or any part thereof shall be made to the person then entitled thereto upon proof of title satisfactory to the commissioner.

(4) Deposits held on account of title insurers are subject further to the provisions of chapter 48.29 RCW.

Sec. 7063. RCW 48.17.430 and 1977 ex.s. c 182 s 5 are each amended to read as follows:

(1) Prior to the issuance of a license as public adjuster, the applicant therefor shall file with the commissioner and shall thereafter maintain in force while so licensed a surety bond in favor of the people of the state of Washington, executed by an authorized corporate surety approved by the commissioner, in the amount of five thousand dollars. The bond may be continuous in form, and total aggregate liability on the bond may be limited to the payment of five thousand dollars. The bond shall be contingent on the accounting by the adjuster to any insured whose claim he or she is handling, for moneys or any settlement received in connection therewith.

(2) Any such bond shall remain in force until the surety is released from liability by the commissioner, or until canceled by the surety. Without prejudice to any liability accrued prior to cancellation, the surety may cancel a bond upon thirty days advance notice in writing filed with the commissioner.

(3) Such bond shall be required of any adjuster acting as a public adjuster as of the effective date of this code, or thereafter under any unexpired license heretofore issued.

Sec. 7064. RCW 48.18.020 and 1973 1st ex.s. c 163 s 2 are each amended to read as follows:

(1) Any person eighteen years or older shall be considered of full legal age and may contract for or with respect to insurance. Any person seventeen years or younger shall be considered a minor for purposes of Title 48 RCW.

(2) A minor not less than fifteen years of age as at nearest birthday may, notwithstanding such minority, contract for life or disability insurance on his or her own life or body, for his or her own benefit or for the benefit of his or her father, mother, spouse, child, brother, sister, or grandparent, and may exercise all

rights and powers with respect to or under the contract as though of full legal age, and may surrender his or her interest therein and give a valid discharge for any benefit accruing or money payable thereunder. The minor shall not, by reason of his minority, be entitled to rescind, avoid, or repudiate the contract, or any exercise of a right or privilege thereunder, except, that such minor, not otherwise emancipated, shall not be bound by any unperformed agreement to pay, by promissory note or otherwise any premium on any such insurance contract.

Sec. 7065. RCW 48.18.050 and 1947 c 79 s .18.05 are each amended to read as follows:

When the name of a person intended to be insured is specified in the policy, such insurance can be applied only to his or her own proper interest. This section shall not apply to life and disability insurances.

Sec. 7066. RCW 48.18.070 and 1947 c 79 s .18.07 are each amended to read as follows:

(1) Any application for insurance in writing by the applicant shall be altered solely by the applicant or by his or her written consent, except that insertions may be made by the insurer for administrative purposes only in such manner as to indicate clearly that such insertions are not to be ascribed to the applicant. Violation of this provision shall be a misdemeanor.

(2) Any insurer issuing an insurance contract upon such an application unlawfully altered by its officer, employee, or agent shall not have available in any action arising out of such contract, any defense which is based upon the fact of such alteration, or as to any item in the application which was so altered.

Sec. 7067. RCW 48.18.090 and 1947 c 79 s .18.09 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, no oral or written misrepresentation or warranty made in the negotiation of an insurance contract, by the insured or in his or her behalf, shall be deemed material or defeat or avoid the contract or prevent it attaching, unless the misrepresentation or warranty is made with the intent to deceive.

(2) In any application for life or disability insurance made in writing by the insured, all statements therein made by the insured shall, in the absence of fraud, be deemed representations and not warranties. The falsity of any such statement shall not bar the right to recovery under the contract unless such false statement was made with actual intent to deceive or unless it materially affected either the acceptance of the risk or the hazard assumed by the insurer.

Sec. 7068. RCW 48.18.120 and 1957 c 193 s 10 are each amended to read as follows:

(1) The commissioner shall, after hearing, from time to time promulgate such rules and regulations as may be necessary to define and effect reasonable uniformity in all basic contracts of fire insurance which are commonly known as the standard form fire policies and may be so referred to in this code, and the usual supplemental coverages, riders, or endorsements thereon or thereto, to the end that such definitions shall be applied in the construction of the various sections of this code wherein such terms are used and that there be a reasonable concurrency of contract where two or more insurers insure the same subject and risk. All such forms heretofore approved by the commissioner and for use as of

immediately prior to the effective date of this code, may continue to be so used until the further order of the commissioner made pursuant to this subsection or pursuant to any other provision of this code.

(2) The commissioner may from time to time, after hearing, promulgate such rules and regulations as he or she deems necessary to establish reasonable minimum standard conditions and terminology for basic benefits to be provided by disability insurance contracts which are subject to chapters 48.20 and 48.21 RCW, for the purpose of expediting his or her approval of such contracts pursuant to this code. No such promulgation shall be inconsistent with standard provisions as required pursuant to RCW 48.18.130, nor contain requirements inconsistent with requirements relative to the same benefit provision as formulated or approved by the National Association of Insurance Commissioners.

Sec. 7069. RCW 48.18.130 and 1947 c 79 s .18.13 are each amended to read as follows:

(1) Insurance contracts shall contain such standard provisions as are required by the applicable chapters of this code pertaining to contracts of particular kinds of insurance. The commissioner may waive the required use of a particular standard provision in a particular insurance contract form if

(a) he or she finds such provision unnecessary for the protection of the insured, and inconsistent with the purposes of the contract, and

(b) the contract is otherwise approved by him or her.

(2) No insurance contract shall contain any provision inconsistent with or contradictory to any such standard provision used or required to be used, but the commissioner may, except as to the standard provisions of individual disability insurance contracts as required under chapter 48.20 RCW, approve any provision which is in his or her opinion more favorable to the insured than the standard provision or optional standard provision otherwise required. No endorsement, rider, or other documents attached to such contract shall vary, extend, or in any respect conflict with any such standard provision, or with any modification thereof so approved by the commissioner as being more favorable to the insured.

(3) In lieu of the standard provisions required by this code for contracts for particular kinds of insurance, substantially similar standard provisions required by the law of a foreign or alien insurer's domicile may be used when approved by the commissioner.

Sec. 7070. RCW 48.18.293 and 1969 ex.s. c 241 s 21 are each amended to read as follows:

(1) There shall be no liability on the part of, and no cause of action of any nature shall arise against, the insurance commissioner, his or her agents, or members of his or her staff, or against any insurer, its authorized representative, its agents, its employees, or any firm, person or corporation furnishing to the insurer information as to reasons for cancellation or refusal to renew, for any statement made by any of them in any written notice of cancellation or refusal to renew, or in any other communications, oral or written, specifying the reasons for cancellation or refusal to renew or the providing of information pertaining thereto, or for statements made or evidence submitted in any hearing conducted in connection therewith.

(2) Proof of mailing of notice of cancellation or refusal to renew or of reasons for cancellation, to the named insured, at the latest address filed with the insurer by or on behalf of the named insured shall be sufficient proof of notice.

Sec. 7071. RCW 48.18.340 and 1947 c 79 s .18.34 are each amended to read as follows:

(1) Every insurer issuing participating policies, shall pay dividends, unused premium refunds or savings distributed on account of any such policy, only to the real party in interest entitled thereto as shown by the insurer's records, or to any person to whom the right thereto has been assigned in writing of record with the insurer, or given in the policy by such real party in interest.

(2) Any person who is shown by the insurer's records to have paid for his or her own account, or to have been ultimately charged for, the premium for insurance provided by a policy in which another person is the nominal insured, shall be deemed such real party in interest proportionate to premium so paid or so charged. This subsection shall not apply as to any such dividend, refund, or distribution which would amount to less than one dollar.

(3) This section shall not apply to contracts of group life insurance, group annuities, or group disability insurance.

Sec. 7072. RCW 48.18.375 and 1973 1st ex.s. c 163 s 3 are each amended to read as follows:

A person whose life is insured under a group insurance policy may, subject and pursuant to the terms of the policy, or pursuant to an arrangement between the insured, the group policyholder and the insurer, assign to any or all his or her spouse, children, parents, or a trust for the benefit of any or all of them, all or any part of his or her incidents of ownership, rights, title, and interests, both present and future, under such policy including specifically, but not by way of limitation, the right to designate a beneficiary or beneficiaries thereunder and the right to have an individual policy issued to him in case of termination of employment or of said group insurance policy. Such an assignment by the insured, made either before or after July 16, 1973, is valid for the purpose of vesting in the assignee, in accordance with any provisions included therein as to the time at which it is to be effective, all of such incidents of ownership, rights, title, and interests so assigned, but without prejudice to the insurer on account of any payment it may make or individual policy it may issue prior to receipt of notice of the assignment. This section acknowledges, declares, and codifies the existing right of assignment of interests under group insurance policies.

Sec. 7073. RCW 48.18.400 and 1947 c 79 s .18.40 are each amended to read as follows:

The proceeds or avails of all contracts of disability insurance and of provisions providing benefits on account of the insured's disability which are supplemental to life insurance or annuity contracts heretofore or hereafter effected shall be exempt from all liability for any debt of the insured, and from any debt of the beneficiary existing at the time the proceeds are made available for his or her use.

Sec. 7074. RCW 48.18.410 and 1947 c 79 s .18.41 are each amended to read as follows:

(1) The lawful beneficiary, assignee, or payee of a life insurance policy, other than an annuity, heretofore or hereafter effected by any person on his or her

own life, or on the life of another, in favor of a person other than himself or herself, shall be entitled to the proceeds and avails of the policy against the creditors and representatives of the insured and of the person effecting the insurance, and such proceeds and avails shall also be exempt from all liability for any debt of such beneficiary, existing at the time the proceeds or avails are made available for his or her own use.

(2) The provisions of subsection (1) of this section shall apply

(a) whether or not the right to change the beneficiary is reserved or permitted in the policy; or

(b) whether or not the policy is made payable to the person whose life is insured or to his or her estate if the beneficiary, assignee or payee shall predecease such person; except, that this subsection shall not be construed so as to defeat any policy provision which provides for disposition of proceeds in the event the beneficiary shall predecease the insured.

(3) The exemptions provided by subsection (1) of this section, subject to the statute of limitations, shall not apply

(a) to any claim to or interest in such proceeds or avails by or on behalf of the insured, or the person so effecting the insurance, or their administrators or executors, in whatever capacity such claim is made or such interest is asserted; or

(b) to any claim to or interest in such proceeds or avails by or on behalf of any person to whom rights thereto have been transferred with intent to defraud creditors; but an insurer shall be liable to all such creditors only as to amounts aggregating not to exceed the amount of such proceeds or avails remaining in the insurer's possession at the time the insurer receives at its home office written notice by or on behalf of such creditors, of claims to recover for such transfer, with specification of the amounts claimed; or

(c) to so much of such proceeds or avails as equals the amount of any premiums or portion thereof paid for the insurance with intent to defraud creditors, with interest thereon, and if prior to the payment of such proceeds or avails the insurer has received at its home office written notice by or on behalf of the creditor, of a claim to recover for premiums paid with intent to defraud creditors, with specification of the amount claimed.

(4) For the purposes of subsection (1) of this section a policy shall also be deemed to be payable to a person other than the insured if and to the extent that a facility-of-payment clause or similar clause in the policy permits the insurer to discharge its obligation after the death of the individual insured by paying the death benefits to a person as permitted by such clause.

(5) No person shall be compelled to exercise any rights, powers, options or privileges under any such policy.

Sec. 7075. RCW 48.18.420 and 1947 c 79 s .18.42 are each amended to read as follows:

(1) A policy of group life insurance or the proceeds thereof payable to the individual insured or to the beneficiary thereunder, shall not be liable, either before or after payment, to be applied to any legal or equitable process to pay any liability of any person having a right under the policy. The proceeds thereof, when not made payable to a named beneficiary or to a third person pursuant to a facility-of-payment clause, shall not constitute a part of the estate of the individual insured for the payment of his or her debts.

(2) This section shall not apply to group life insurance policies issued under RCW 48.24.040 (debtor groups) to the extent that such proceeds are applied to payment of the obligation for the purpose of which the insurance was so issued.

Sec. 7076. RCW 48.18.440 and 1947 c 79 s .18.44 are each amended to read as follows:

(1) Every life insurance policy heretofore or hereafter made payable to or for the benefit of the spouse of the insured, and every life insurance policy heretofore or hereafter assigned, transferred, or in any way made payable to a spouse or to a trustee for the benefit of a spouse, regardless of how such assignment or transfer is procured, shall, unless contrary to the terms of the policy, inure to the separate use and benefit of such spouse: PROVIDED, That the beneficial interest of a spouse in a policy upon the life of a child of the spouses, however such interest is created, shall be deemed to be a community interest and not a separate interest, unless expressly otherwise provided by the policy.

(2) In any life insurance policy heretofore or hereafter issued upon the life of a spouse the designation heretofore or hereafter made by such spouse of a beneficiary in accordance with the terms of the policy, shall create a presumption that such beneficiary was so designated with the consent of the other spouse, but only as to any beneficiary who is the child, parent, brother, or sister of either of the spouses. The insurer may in good faith rely upon the representations made by the insured as to the relationship to him or her of any such beneficiary.

Sec. 7077. RCW 48.18.450 and 1963 c 227 s 1 are each amended to read as follows:

Life insurance may be made payable to a trustee to be named as beneficiary in the policy and the proceeds of such insurance paid to such trustee shall be held and disposed of by the trustee as provided in a trust agreement or declaration of trust made by the insured during his or her lifetime. It shall not be necessary to the validity of any such trust agreement or declaration of trust that it have a trust corpus other than the right of the trustee to receive such insurance proceeds as beneficiary, and any such trustee may also receive assets, other than insurance proceeds, by testamentary disposition and administer them according to the terms of the trust agreement or declaration of trust as they exist at the death of the testator.

Sec. 7078. RCW 48.18A.020 and 1973 1st ex.s. c 163 s 4 are each amended to read as follows:

A domestic life insurer may, by or pursuant to resolution of its board of directors, establish one or more separate accounts, and may allocate thereto amounts (including without limitation proceeds applied under optional modes of settlement or under dividend options) to provide for life insurance or annuities (and other benefits incidental thereto), payable in fixed or variable amounts or both, subject to the following:

(1) The income, gains, and losses, realized or unrealized, from assets allocated to a separate account shall be credited to or charged against the account, without regard to other income, gains, or losses of the insurer.

(2)(a) Except as hereinafter provided, amounts allocated to any separate account and accumulations thereon may be invested and reinvested without regard to any requirements or limitations prescribed by the laws of this state

governing the investments of life insurers: PROVIDED, That to the extent that the insurer's reserve liability with regard to (i) benefits guaranteed as to dollar amount and duration, and (ii) funds guaranteed as to principal amount or stated rate of interest is maintained in any separate account, a portion of the assets of such separate account at least equal to such reserve liability shall be invested under such conditions as the commissioner may prescribe. The investments in such separate account or accounts shall not be taken into account in applying the investment limitations applicable to the investments of the insurer.

(b) With respect to seventy-five percent of the market value of the total assets in a separate account no insurer shall purchase or otherwise acquire the securities of any issuer, other than securities issued or guaranteed as to principal or interest by the United States, if immediately after such purchase or acquisition the market value of such investment, together with prior investments of such separate account in such security taken at market value, would exceed ten percent of the market value of the assets of such separate account: PROVIDED, That the commissioner may waive such limitation if, in his or her opinion, such waiver will not render the operation of such separate account hazardous to the public or the policyholders in this state.

(c) Unless otherwise permitted by law or approved by the commissioner, no insurer shall purchase or otherwise acquire for its separate accounts the voting securities of any issuer if as a result of such acquisition the insurer and its separate accounts, in the aggregate, will own more than ten percent of the total issued and outstanding voting securities of such issuer: PROVIDED, That the foregoing shall not apply with respect to securities held in separate accounts, the voting rights in which are exercisable only in accordance with instructions from persons having interests in such accounts.

(d) The limitations provided in paragraphs (b) and (c) of this subsection shall not apply to the investment with respect to a separate account in the securities of an investment company registered under the United States Investment Company Act of 1940: PROVIDED, That the investments of such investment company shall comply in substance therewith.

(3) Unless otherwise approved by the commissioner, assets allocated to a separate account shall be valued at their market value on the date of valuation, or if there is no readily available market, then as provided under the terms of the contract or the rules or other written agreement applicable to such separate account: PROVIDED, That unless otherwise approved by the commissioner, the portion, if any, of the assets of such separate account equal to the insurer's reserve liability with regard to the guaranteed benefits and funds referred to in subsection (2) of this section shall be valued in accordance with the rules otherwise applicable to the insurer's assets.

(4) Amounts allocated to a separate account in the exercise of the power granted by this chapter shall be owned by the insurer and the insurer shall not be, nor hold itself out to be, a trustee with respect to such amounts. If and to the extent so provided under the applicable contracts, that portion of the assets of any such separate account equal to the reserves and other contract liabilities with respect to such account shall not be chargeable with liabilities arising out of any other business the insurer may conduct.

(5) No sale, exchange or other transfer of assets may be made by an insurer between any of its separate accounts or between any other investment account

and one or more of its separate accounts unless, in case of a transfer into a separate account, such transfer is made solely to establish the account or to support the operation of the contracts with respect to the separate account to which the transfer is made, and unless such transfer, whether into or from a separate account, is made (a) by a transfer of cash, or (b) by a transfer of securities having a readily determinable market value: PROVIDED, That such transfer of securities is approved by the commissioner. The commissioner may approve other transfers among such accounts, if, in his or her opinion, such transfers would not be inequitable.

(6) To the extent such insurer deems it necessary to comply with any applicable federal or state law, such insurer, with respect to any separate account, including without limitation any separate account which is a management investment company or a unit investment trust, may provide for persons having interest therein, as may be appropriate, voting and other rights and special procedures for the conduct of the business of such account, including without limitation, special rights and procedures relating to investment policy, investment advisory services, selection of independent public accountants, and the selection of a committee, the members of which need not be otherwise affiliated with such insurer, to manage the business of such account.

Sec. 7079. RCW 48.19.080 and 1981 c 339 s 18 are each amended to read as follows:

Under such rules and regulations as he or she shall adopt the commissioner may, by order, suspend or modify the requirement of filing as to any kind of insurance. Such orders, rules and regulations shall be made known to insurers and rating organizations affected thereby. The commissioner may make such examination as he or she may deem advisable to ascertain whether any rates affected by such order meet the standard prescribed in RCW 48.19.020.

Sec. 7080. RCW 48.19.090 and 1947 c 79 s .19.09 are each amended to read as follows:

Upon written application of the insured, stating his or her reasons therefor, filed with and approved by the commissioner, a rate in excess of that provided by a filing otherwise applicable may be used on any specific risk.

Sec. 7081. RCW 48.19.100 and 1989 c 25 s 6 are each amended to read as follows:

If within the waiting period or any extension thereof as provided in RCW 48.19.060, the commissioner finds that a filing does not meet the requirements of this chapter, he or she shall disapprove such filing, and shall give notice of such disapproval, specifying the respect in which he or she finds the filing fails to meet such requirements, and stating that the filing shall not become effective, to the insurer or rating organization which made the filing.

Sec. 7082. RCW 48.19.110 and 1947 c 79 s .19.11 are each amended to read as follows:

(1) If within thirty days after a special filing subject to RCW 48.19.070 has become effective, the commissioner finds that the filing does not meet the requirements of this chapter, he or she shall disapprove the filing and shall give notice to the insurer or rating organization which made the filing, specifying in what respects he or she finds that the filing fails to meet such requirements and

stating when, within a reasonable period thereafter, the filing shall be deemed no longer effective.

(2) Such disapproval shall not affect any contract made or issued prior to the expiration of the period set forth in the notice of disapproval.

Sec. 7083. RCW 48.19.120 and 1989 c 25 s 7 are each amended to read as follows:

(1) If at any time subsequent to the applicable review period provided in RCW 48.19.060 or 48.19.110, the commissioner finds that a filing does not meet the requirements of this chapter, he or she shall, after a hearing, notice of which was given to every insurer and rating organization which made such filing, issue his or her order specifying in what respect he or she finds that such filing fails to meet the requirements of this chapter, and stating when, within a reasonable period thereafter, the filings shall be deemed no longer effective.

(2) Such order shall not affect any contract or policy made or issued prior to the expiration of the period set forth in the order.

(3) Any person aggrieved with respect to any filing then in effect, other than the insurer or rating organization which made the filing, may make written application to the commissioner for a hearing thereon. The application shall specify the grounds to be relied upon by the applicant. If the commissioner finds that the application is made in good faith, that the applicant would be so aggrieved if his or her grounds are established, and that such grounds otherwise justify holding the hearing, he or she shall, within thirty days after receipt of the application, hold a hearing as required in subsection (1) of this section.

Sec. 7084. RCW 48.19.180 and 1947 c 79 s .19.18 are each amended to read as follows:

(1) If the commissioner finds that the applicant for a license as a rating organization is competent, trustworthy and otherwise qualified so to act, and that its constitution, articles of agreement or association or certificate of incorporation or trust agreement, and its bylaws, rules and regulations governing the conduct of its business conform to the requirements of law, he or she shall, upon payment of a license fee of twenty-five dollars, issue a license specifying the kinds of insurance, or subdivisions or class of risk or part or combination thereof for which the applicant is authorized to act as a rating organization.

(2) The commissioner shall grant or deny in whole or in part every such application within sixty days of the date of its filing with him or her.

(3) A license issued pursuant to this section shall remain in effect for three years unless sooner suspended or revoked by the commissioner.

Sec. 7085. RCW 48.19.190 and 1947 c 79 s .19.19 are each amended to read as follows:

(1) The commissioner may, after a hearing, suspend or revoke the license issued to a rating organization for any of the following causes:

(a) If he or she finds that the licensee no longer meets the qualifications for the license.

(b) For failure to comply with an order of the commissioner within the time limited by the order, or any extension thereof which the commissioner may grant.

(2) The commissioner shall not so suspend or revoke a license for failure to comply with an order until the time prescribed by this code for an appeal from

such order to the superior court has expired or if such appeal has been taken, until such order has been affirmed.

(3) The commissioner may determine when a suspension or revocation of license shall become effective. A suspension of license shall remain in effect for the period fixed by him or her, unless he or she modifies or rescinds the suspension, or until the order, failure to comply with which constituted grounds for the suspension, is modified, rescinded or reversed.

Sec. 7086. RCW 48.19.220 and 1947 c 79 s .19.22 are each amended to read as follows:

(1) The reasonableness of any rule or regulation in its application to subscribers, or the refusal of any rating organization to admit an insurer as a subscriber, shall, at the request of any subscriber or any such insurer, be reviewed by the commissioner at a hearing held upon notice to the rating organization, and to the subscriber or insurer.

(2) If the commissioner finds that such rule or regulation is unreasonable in its application to subscribers, he or she shall order that such rule or regulation shall not be applicable to subscribers who are not members of the rating organization.

(3) If a rating organization fails to grant or reject an insurer's application for subscribership within thirty days after it was made, the insurer may request a review by the commissioner as if the application had been rejected. If the commissioner finds that the insurer has been refused admittance to the rating organization as a subscriber without justification, he or she shall order the rating organization to admit the insurer as a subscriber. If he or she finds that the action of the rating organization was justified, he or she shall make an order affirming its action.

Sec. 7087. RCW 48.19.250 and 1947 c 79 s .19.25 are each amended to read as follows:

(1) Cooperation among rating organizations or among rating organizations and insurers in rate making or in other matters within the scope of this chapter is hereby authorized, if the filings resulting from such cooperation are subject to all the provisions of this chapter which are applicable to filings generally.

(2) The commissioner may review such cooperative activities and practices and if, after a hearing, he or she finds that any such activity or practice is unfair or unreasonable or otherwise inconsistent with the provisions of this code, he or she may issue a written order specifying in what respect such activity or practice is so unfair, unreasonable, or inconsistent, and requiring the discontinuance of such activity or practice.

Sec. 7088. RCW 48.19.290 and 1947 c 79 s .19.29 are each amended to read as follows:

(1) Any subscriber to a rating organization may appeal to the commissioner from the rating organization's action or decision in approving or rejecting any proposed change in or addition to the rating organization's filings. The commissioner shall, after a hearing on the appeal:

(a) Issue an order approving the rating organization's action or decision or directing it to give further consideration to such proposal; or

(b) If the appeal is from the rating organization's action or decision in rejecting a proposed addition to its filings, he or she may, in event he or she finds

that the action or decision was unreasonable, issue an order directing the rating organization to make an addition to its filings, on behalf of its subscribers, in a manner consistent with his or her findings, within a reasonable time after the issuance of such order.

(2) If such appeal is based upon the rating organization's failure to make a filing on behalf of such subscriber which is based on a system of expense provisions which differs, in accordance with the right granted in subdivision (2) of RCW 48.19.030, from the system of expense provisions included in a filing made by the rating organization, the commissioner shall, if he or she grants the appeal, order the rating organization to make the requested filing for use by the appellant. In deciding the appeal the commissioner shall apply the standards set forth in RCW 48.19.020 and 48.19.030.

Sec. 7089. RCW 48.19.310 and 1947 c 79 s .19.31 are each amended to read as follows:

Every rating organization and every insurer which makes its own rates shall provide within this state reasonable means whereby any person aggrieved by the application of its rating system may be heard, in person or by his or her authorized representative, on his or her written request to review the manner in which such rating system has been applied in connection with the insurance afforded him or her. If the rating organization or insurer fails to grant or reject such request within thirty days after it is made, the applicant may proceed in the same manner as if his or her application had been rejected. Any party affected by the action of such rating organization or such insurer on such request may, within thirty days after written notice of such action, appeal to the commissioner, who, after a hearing held upon notice to the appellant and to the rating organization or insurer, may affirm or reverse such action.

Sec. 7090. RCW 48.19.330 and 1947 c 79 s .19.33 are each amended to read as follows:

Every advisory organization before serving as such to any rating organization or independently filing insurer doing business in this state, shall file with the commissioner:

(1) A copy of its constitution, its articles of agreement or association or its certificate of incorporation and of its bylaws, rules and regulations governing its activities;

(2) A list of its members;

(3) The name and address of a resident of this state upon whom notices or orders of the commissioner or process issued at his or her direction may be served; and

(4) An agreement that the commissioner may examine such advisory organization in accordance with the provisions of RCW 48.03.010.

Sec. 7091. RCW 48.19.340 and 1947 c 79 s .19.34 are each amended to read as follows:

If, after a hearing, the commissioner finds that the furnishing of information or assistance by an advisory organization, as referred to in RCW 48.19.320, involves any act or practice which is unfair or unreasonable or otherwise inconsistent with the provisions of this code, he or she may issue a written order specifying in what respect such act or practice is unfair or unreasonable or so otherwise inconsistent, and requiring the discontinuance of such act or practice.

Sec. 7092. RCW 48.19.350 and 1947 c 79 s .19.35 are each amended to read as follows:

No insurer which makes its own filing nor any rating organization shall support its filings by statistics or adopt rate making recommendations, furnished to it by an advisory organization which has not complied with this chapter or with any order of the commissioner involving such statistics or recommendations issued under RCW 48.19.340. If the commissioner finds such insurer or rating organization to be in violation of this section he or she may issue an order requiring the discontinuance of the violation.

Sec. 7093. RCW 48.19.360 and 1947 c 79 s .19.36 are each amended to read as follows:

(1) Every group, association or other organization of insurers which engages in joint underwriting or joint reinsurance, shall be subject to regulation with respect thereto as is provided in this section, subject, however, with respect to joint underwriting, to all other provisions of this chapter, and, with respect to joint reinsurance, to RCW 48.19.270, 48.01.080 and 48.19.430; and to chapter 48.03 RCW of this code.

(2) If, after a hearing, the commissioner finds that any activity or practice of any such group, association or other organization is unfair or unreasonable or otherwise inconsistent with the provisions of this chapter, he or she may issue a written order specifying in what respects such activity or practice is unfair, or unreasonable or so inconsistent, and requiring the discontinuance of the activity or practice.

Sec. 7094. RCW 48.19.370 and 1947 c 79 s .19.37 are each amended to read as follows:

(1) The commissioner shall promulgate reasonable rules and statistical plans, reasonably adapted to each of the rating systems on file with him or her, which may be modified from time to time and which shall be used thereafter by each insurer in the recording and reporting of its loss and countrywide expense experience, in order that the experience of all insurers may be made available at least annually in such form and detail as may be necessary to aid him or her in determining whether rating systems comply with the standards set forth in RCW 48.19.020 and 48.19.030. Such rules and plans may also provide for the recording and reporting of expense experience items which are specially applicable to this state and are not susceptible of determination by a prorating of countrywide expense experience.

(2) In promulgating such rules and plans, the commissioner shall give due consideration to the rating systems on file with him or her and, in order that such rules and plans may be as uniform as is practicable among the several states, to the rules and to the form of the plans used for such rating systems in other states.

(3) No insurer shall be required to record or report its loss experience on a classification basis that is inconsistent with the rating system filed by it.

(4) The commissioner may designate one or more rating organizations or other agencies to assist him or her in gathering such experience and making compilations thereof, and such compilations shall be made available, subject to reasonable rules promulgated by the commissioner, to insurers and rating organizations.

(5) Reasonable rules and plans may be promulgated by the commissioner for the interchange of data necessary for the application of rating plans.

Sec. 7095. RCW 48.19.410 and 1983 1st ex.s. c 32 s 8 are each amended to read as follows:

(1) The commissioner may permit the organization and operation of examining bureaus for the examination of policies, daily reports, binders, renewal certificates, endorsements, and other evidences of insurance or of the cancellation thereof, for the purpose of ascertaining that lawful rates are being charged.

(2) A bureau shall examine documents with regard to such kinds of insurance as the commissioner may, after hearing, reasonably require to be submitted for examination. A bureau may examine documents as to such other kinds of insurance as the issuing insurers may voluntarily submit for examination. Upon request of the commissioner, a bureau shall also examine affidavits filed pursuant to RCW 48.15.040, surplus lines contracts and related documents, and shall make recommendations to the commissioner to assist the commissioner in determining whether surplus lines have been procured in accordance with chapter 48.15 RCW and rules issued thereunder.

(3) No bureau shall operate unless licensed by the commissioner as to the kinds of insurance as to which it is permitted so to examine. To qualify for a license a bureau shall:

(a) Be owned in trust for the benefit of all the insurers regularly using its services, under a trust agreement approved by the commissioner.

(b) Make its services available without discrimination to all authorized insurers applying therefor, subject to such reasonable rules and regulations as to the obligations of insurers using its services, as to the conduct of its affairs, and as to the correction of errors and omissions in documents examined by it as are approved by the commissioner.

(c) Have no manager or other employee who is an employee of an insurer other than to the extent that he or she is an employee of the bureau owned by insurers through such trust agreement.

(d) Pay to the commissioner a fee of ten dollars for issuance of its license.

(4) Such license shall be of indefinite duration and shall remain in force until revoked by the commissioner or terminated at the request of the bureau. The commissioner may revoke the license, after hearing,

(a) if the bureau is no longer qualified therefor;

(b) if the bureau fails to comply with a proper order of the commissioner;

(c) if the bureau violates or knowingly participates in the violation of any provision of this code.

(5) Any person aggrieved by any rule, regulation, act or omission of a bureau may appeal to the commissioner therefrom. The commissioner shall hold a hearing upon such appeal, and shall make such order upon the hearing as he or she deems to be proper.

(6) Every such bureau operating in this state shall be subject to the supervision of the commissioner, and the commissioner shall examine it as provided in chapter 48.03 RCW of this code.

(7) Every examining bureau shall keep adequate records of the outstanding errors and omissions found in coverages examined by it and of its receipts and

disbursements, and shall hold as confidential all information contained in documents submitted to it for examination.

(8) The commissioner shall not license an additional bureau for the examination of documents relative to a kind of insurance if such documents are being examined by a then existing licensed bureau. Any examining bureau operating in this state immediately prior to the effective date of this code under any law of this state repealed as of such date, shall have prior right to apply for and secure a license under this section.

Sec. 7096. RCW 48.20.062 and 1951 c 229 s 7 are each amended to read as follows:

There shall be a provision as follows:

GRACE PERIOD: A grace period of . . . (insert a number not less than "7" for weekly premium policies, "10" for monthly premium policies, and "31" for all other policies) days will be granted for the payment of each premium falling due after the first premium, during which grace period the policy shall continue in force.

(A policy which contains a cancellation provision may add, at the end of the above provision: "subject to the right of the insurer to cancel in accordance with the cancellation provision hereof.")

A policy in which the insurer reserves the right to refuse any renewal shall have, at the beginning of the above provision: "Unless not less than five days prior to the premium due date the insurer has delivered to the insured or has mailed to his or her last address as shown by the records of the insurer written notice of its intention not to renew this policy beyond the period for which the premium has been accepted.")

Sec. 7097. RCW 48.20.082 and 1951 c 229 s 9 are each amended to read as follows:

There shall be a provision as follows:

NOTICE OF CLAIM: Written notice of claim must be given to the insurer within twenty days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as is reasonably possible. Notice given by or on behalf of the insured or the beneficiary to the insurer at (insert the location of such office as the insurer may designate for the purpose), or to any authorized agent of the insurer, with information sufficient to identify the insured, shall be deemed notice to the insurer.

(In a policy providing a loss-of-time benefit which may be payable for at least two years, an insurer may at its option insert the following between the first and second sentences of the above provision:

"Subject to the qualifications set forth below, if the insured suffers loss of time on account of disability for which indemnity may be payable for at least two years, he or she shall at least once in every six months after having given notice of claim, give to the insurer notice of continuance of said disability, except in the event of legal incapacity. The period of six months following any filing of proof by the insured or any payment by the insurer on account of such claim or any denial of liability in whole or in part by the insurer shall be excluded in applying this provision. Delay in the giving of such notice shall not impair the insured's right to any indemnity which would otherwise have accrued

during the period of six months preceding the date on which such notice is actually given.")

Sec. 7098. RCW 48.20.172 and 1951 c 229 s 18 are each amended to read as follows:

There may be a provision as follows:

CHANGE OF OCCUPATION: If the insured be injured or contract sickness after having changed his occupation to one classified by the insurer as more hazardous than that stated in this policy or while doing for compensation anything pertaining to an occupation so classified, the insurer will pay only such portion of the indemnities provided in this policy as the premium paid would have purchased at the rates and within the limits fixed by the insurer for such more hazardous occupation. If the insured changes his or her occupation to one classified by the insurer as less hazardous than that stated in this policy, the insurer, upon receipt of proof of such change of occupation, will reduce the premium rate accordingly, and will return the excess pro rata unearned premium from the date of change of occupation or from the policy anniversary date immediately preceding receipt of such proof, whichever is the more recent. In applying this provision, the classification of occupational risk and the premium rates shall be such as have been last filed by the insurer prior to the occurrence of the loss for which the insurer is liable or prior to date of proof of change in occupation with the state official having supervision of insurance in the state where the insured resided at the time this policy was issued; but if such filing was not required, then the classification of occupational risk and the premium rates shall be those last made effective by the insurer in such state prior to the occurrence of the loss or prior to the date of proof of change in occupation.

Sec. 7099. RCW 48.20.192 and 1951 c 229 s 20 are each amended to read as follows:

There may be a provision as follows:

OTHER INSURANCE IN THIS INSURER: If an accident or sickness or accident and sickness policy or policies previously issued by the insurer to the insured be in force concurrently herewith, making the aggregate indemnity for (insert type of coverage or coverages) in excess of \$. (insert maximum limit of indemnity or indemnities) the excess insurance shall be void and all premiums paid for such excess shall be returned to the insured or to his estate.

Or, in lieu thereof:

Insurance effective at any one time on the insured under a like policy or policies in this insurer is limited to the one such policy elected by the insured, his or her beneficiary or his estate, as the case may be, and the insurer will return all premiums paid for all other such policies.

Sec. 7100. RCW 48.20.222 and 1987 c 185 s 28 are each amended to read as follows:

(1) There may be a provision as follows:

RELATION OF EARNINGS TO INSURANCE: If the total monthly amount of loss of time benefits promised for the same loss under all valid loss of time coverage upon the insured, whether payable on a weekly or monthly basis, shall exceed the monthly earnings of the insured at the time disability commenced or his or her average monthly earnings for the period of two years

immediately preceding a disability for which claim is made, whichever is the greater, the insurer will be liable only for such proportionate amount of such benefits under this policy as the amount of such monthly earnings of the insured bears to the total amount of monthly benefits for the same loss under all such coverage upon the insured at the time such disability commences and for the return of such part of the premiums paid during such two years as shall exceed the pro rata amount of the premiums for the benefits actually paid hereunder; but this shall not operate to reduce the total monthly amount of benefits payable under all such coverage upon the insured below the sum of two hundred dollars or the sum of the monthly benefits specified in such coverages, whichever is the lesser, nor shall it operate to reduce benefits other than those payable for loss of time.

(2) The foregoing policy provision may be inserted only in a policy which the insured has the right to continue in force subject to its terms by the timely payment of premiums (a) until at least age 50 or, (b) in the case of a policy issued after age 44, for at least five years from its date of issue. The insurer may, at its option, include in this provision a definition of "valid loss of time coverage," approved as to form by the commissioner, which definition shall be limited in subject matter to coverage provided by governmental agencies or by organizations subject to regulation by insurance law or by insurance authorities of this or any other state of the United States or any province of Canada, or to any other coverage the inclusion of which may be approved by the commissioner or any combination of such coverages. In the absence of such definition such term shall not include any coverage provided for such insured pursuant to any compulsory benefit statute (including any workers' compensation or employer's liability statute), or benefits provided by union welfare plans or by employer or employee benefit organizations.

Sec. 7101. RCW 48.20.242 and 1951 c 229 s 25 are each amended to read as follows:

There may be a provision as follows:

CANCELLATION: The insurer may cancel this policy at any time by written notice delivered to the insured, or mailed to his or her last address as shown by the records of the insurer, stating when, not less than five days thereafter, such cancellation shall be effective; and after the policy has been continued beyond its original term the insured may cancel this policy at any time by written notice delivered or mailed to the insurer, effective upon receipt or on such later date as may be specified in such notice. In the event of cancellation, the insurer will return promptly the unearned portion of any premium paid. If the insured cancels, the earned premium shall be computed by the use of the short-rate table last filed with the state official having supervision of insurance in the state where the insured resided when the policy was issued. If the insurer cancels, the earned premium shall be computed pro rata. Cancellation shall be without prejudice to any claim originating prior to the effective date of cancellation.

Sec. 7102. RCW 48.21.060 and 1947 c 79 s .21.06 are each amended to read as follows:

There shall be a provision that a copy of the application, if any, of the policyholder shall be attached to the policy when issued; that all statements

made by the policyholder or by the individuals insured shall in the absence of fraud be deemed representations and not warranties, and that no statement made by any individual insured shall be used in any contest unless a copy of the instrument containing the statement is or has been furnished to such individual or to his or her beneficiary, if any.

Sec. 7103. RCW 48.21.110 and 1955 c 303 s 17 are each amended to read as follows:

The benefits payable under any policy or contract of group or blanket disability insurance shall be payable to the employee or other insured member of the group or to the beneficiary designated by him or her, other than the policyholder, employer or the association or any officer thereof as such, subject to provisions of the policy in the event there is no designated beneficiary as to all or any part of any sum payable at the death of the individual insured.

The policy may provide that any hospital, medical, or surgical benefits thereunder may be made payable jointly to the insured employee or member and the person furnishing such hospital, medical, or surgical services.

Sec. 7104. RCW 48.21A.030 and 1965 ex.s. c 70 s 29 are each amended to read as follows:

Notwithstanding any other provision of this code or any other law which may be inconsistent herewith, any insurer may join with one or more other insurers, to plan, develop, underwrite, and offer and provide to any person who is sixty-five years of age or older and to the spouse of such person, extended health insurance against financial loss from accident or disease, or both. Such insurance may be offered, issued and administered jointly by two or more insurers by a group policy issued to a policyholder through an association formed for the purpose of offering, selling, issuing and administering such insurance. The policyholder may be an association, a trustee, or any other person. Any such policy may provide, among other things, that the benefits payable thereunder are subject to reduction if the individual insured has any other coverage providing hospital, surgical or medical benefits whether on an indemnity basis or a provision of service basis resulting in such insured being eligible for more than one hundred percent of covered expenses which he or she is required to pay, and any insurer issuing individual policies providing extended hospital, surgical or medical benefits to persons sixty-five years of age and older and their spouses may also use such a policy provision. A master group policy issued to an association or to a trustee or any person appointed by an association for the purpose of providing the insurances described in this section shall be another form of group disability insurance.

Any form of policy approved by the commissioner for an association shall be offered throughout Washington to all persons sixty-five and older and their spouses, and the coverage of any person insured under such a form of policy shall not be cancellable except for nonpayment of premiums unless the coverage of all persons insured under such form of policy is also canceled.

Sec. 7105. RCW 48.21A.060 and 1965 ex.s. c 70 s 32 are each amended to read as follows:

The forms of the policies, applications, certificates or other evidence of insurance coverage and applicable premium rates relating thereto shall be filed with the commissioner. No such policy, contract, or other evidence of insurance,

application or other form shall be sold, issued or used and no endorsement shall be attached to or printed or stamped thereon unless the form thereof shall have been approved by the commissioner or thirty days shall have expired after such filing without written notice from the commissioner of disapproval thereof. The commissioner shall disapprove the forms of such insurance if he or she finds that they are unjust, unfair, inequitable, misleading or deceptive or that the rates are by reasonable assumption excessive in relation to the benefits provided. In determining whether such rates by reasonable assumptions are excessive in relation to the benefits provided, the commissioner shall give due consideration to past and prospective claim experience, within and outside this state, and to fluctuations in such claim experience, to a reasonable risk charge, to contribution to surplus and contingency funds, to past and prospective expenses, both within and outside this state, and to all other relevant factors within and outside this state including any differing operating methods of the insurers joining in the issue of the policy. In exercising the powers conferred upon him or her by this chapter, the commissioner shall not be bound by any other requirement of this code with respect to standard provisions to be included in disability policies or forms.

The commissioner may, after hearing upon written notice, withdraw an approval previously given, upon such grounds as in his or her opinion would authorize disapproval upon original submission thereof. Any such withdrawal of approval after hearing shall be by notice in writing specifying the ground thereof and shall be effective at the expiration of such period, not less than ninety days after the giving of notice of withdrawal, as the commissioner shall in such notice prescribe.

If and when a program of hospital, surgical and medical benefits is enacted by the federal government or the state of Washington, the extended health insurance benefits provided by policies issued under this chapter shall be adjusted to avoid any duplication of benefits offered by the federal or state programs and the premium rates applicable thereto shall be adjusted to conform with the adjusted benefits.

The association shall submit an annual report to the insurance commissioner which shall become public information and shall provide information as to the number of persons insured, the names of the insurers participating in the association with respect to insurance offered under this chapter and the calendar year experience applicable to such insurance offered under this chapter, including premiums earned, claims paid during the calendar year, the amount of claims reserve established, administrative expenses, commissions, promotional expenses, taxes, contingency reserve, other expenses, and profit and loss for the year. The commissioner shall require the association to provide any and all information concerning the operations of the association deemed relevant by him for inclusion in the report.

Sec. 7106. RCW 48.22.030 and 2007 c 80 s 14 are each amended to read as follows:

(1) "Underinsured motor vehicle" means a motor vehicle with respect to the ownership, maintenance, or use of which either no bodily injury or property damage liability bond or insurance policy applies at the time of an accident, or with respect to which the sum of the limits of liability under all bodily injury or property damage liability bonds and insurance policies applicable to a covered

person after an accident is less than the applicable damages which the covered person is legally entitled to recover.

(2) No new policy or renewal of an existing policy insuring against loss resulting from liability imposed by law for bodily injury, death, or property damage, suffered by any person arising out of the ownership, maintenance, or use of a motor vehicle shall be issued with respect to any motor vehicle registered or principally garaged in this state unless coverage is provided therein or supplemental thereto for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of underinsured motor vehicles, hit-and-run motor vehicles, and phantom vehicles because of bodily injury, death, or property damage, resulting therefrom, except while operating or occupying a motorcycle or motor-driven cycle, and except while operating or occupying a motor vehicle owned or available for the regular use by the named insured or any family member, and which is not insured under the liability coverage of the policy. The coverage required to be offered under this chapter is not applicable to general liability policies, commonly known as umbrella policies, or other policies which apply only as excess to the insurance directly applicable to the vehicle insured.

(3) Except as to property damage, coverage required under subsection (2) of this section shall be in the same amount as the insured's third party liability coverage unless the insured rejects all or part of the coverage as provided in subsection (4) of this section. Coverage for property damage need only be issued in conjunction with coverage for bodily injury or death. Property damage coverage required under subsection (2) of this section shall mean physical damage to the insured motor vehicle unless the policy specifically provides coverage for the contents thereof or other forms of property damage.

(4) A named insured or spouse may reject, in writing, underinsured coverage for bodily injury or death, or property damage, and the requirements of subsections (2) and (3) of this section shall not apply. If a named insured or spouse has rejected underinsured coverage, such coverage shall not be included in any supplemental or renewal policy unless a named insured or spouse subsequently requests such coverage in writing. The requirement of a written rejection under this subsection shall apply only to the original issuance of policies issued after July 24, 1983, and not to any renewal or replacement policy. When a named insured or spouse chooses a property damage coverage that is less than the insured's third party liability coverage for property damage, a written rejection is not required.

(5) The limit of liability under the policy coverage may be defined as the maximum limits of liability for all damages resulting from any one accident regardless of the number of covered persons, claims made, or vehicles or premiums shown on the policy, or premiums paid, or vehicles involved in an accident.

(6) The policy may provide that if an injured person has other similar insurance available to him or her under other policies, the total limits of liability of all coverages shall not exceed the higher of the applicable limits of the respective coverages.

(7)(a) The policy may provide for a deductible of not more than three hundred dollars for payment for property damage when the damage is caused by a hit-and-run driver or a phantom vehicle.

(b) In all other cases of underinsured property damage coverage, the policy may provide for a deductible of not more than one hundred dollars.

(8) For the purposes of this chapter, a "phantom vehicle" shall mean a motor vehicle which causes bodily injury, death, or property damage to an insured and has no physical contact with the insured or the vehicle which the insured is occupying at the time of the accident if:

(a) The facts of the accident can be corroborated by competent evidence other than the testimony of the insured or any person having an underinsured motorist claim resulting from the accident; and

(b) The accident has been reported to the appropriate law enforcement agency within seventy-two hours of the accident.

(9) An insurer who elects to write motorcycle or motor-driven cycle insurance in this state must provide information to prospective insureds about the coverage.

(10) An insurer who elects to write motorcycle or motor-driven cycle insurance in this state must provide an opportunity for named insureds, who have purchased liability coverage for a motorcycle or motor-driven cycle, to reject underinsured coverage for that motorcycle or motor-driven cycle in writing.

(11) If the covered person seeking underinsured motorist coverage under this section was the intended victim of the tortfeasor, the incident must be reported to the appropriate law enforcement agency and the covered person must cooperate with any related law enforcement investigation.

(12) The purpose of this section is to protect innocent victims of motorists of underinsured motor vehicles. Covered persons are entitled to coverage without regard to whether an incident was intentionally caused. However, a person is not entitled to coverage if the insurer can demonstrate that the covered person intended to cause the event for which a claim is made under the coverage described in this section. As used in this section, and in the section of policies providing the underinsured motorist coverage described in this section, "accident" means an occurrence that is unexpected and unintended from the standpoint of the covered person.

(13) "Underinsured coverage," for the purposes of this section, means coverage for "underinsured motor vehicles," as defined in subsection (1) of this section.

Sec. 7107. RCW 48.23.070 and 1947 c 79 s .23.07 are each amended to read as follows:

(1) In all policies which provide for participation in the insurer's surplus, there shall be a provision that the policy shall so participate annually in the insurer's divisible surplus as apportioned by the insurer, beginning not later than the end of the third policy year. Any policy containing provision for annual participation beginning at the end of the first policy year, may also provide that each dividend shall be paid subject to the payment of the premiums for the next ensuing year. The insured under any annual dividend policy shall have the right each year to have the current dividend arising from such participation either paid in cash, or applied in accordance with such other dividend option as may be specified in the policy and elected by the insured. The policy shall further provide which of the options shall be effective if the insured shall fail to notify

the insurer in writing of his or her election within the period of grace allowed for the payment of premium.

(2) This section shall not apply to paid-up nonforfeiture benefits nor paid-up policies issued on default in payment of premiums.

Sec. 7108. RCW 48.24.120 and 1947 c 79 s 24.12 are each amended to read as follows:

There shall be a provision that the validity of the policy shall not be contested, except for nonpayment of premiums, after it has been in force for two years from its date of issue; and that no statement made by an individual insured under the policy relating to his or her insurability shall be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to the contest for a period of two years during such individual's lifetime nor unless it is contained in a written instrument signed by him.

Sec. 7109. RCW 48.24.130 and 1947 c 79 s .24.13 are each amended to read as follows:

There shall be a provision that a copy of the application, if any, of the policyholder shall be attached to the policy when issued and become a part of the contract; that all statements made by the policyholder or by the persons insured shall be deemed representations and not warranties, and that no statement made by any person insured shall be used in any contest unless a copy of the instrument containing the statement is or has been furnished to such person or to his or her beneficiary.

Sec. 7110. RCW 48.24.140 and 1947 c 79 s .24.14 are each amended to read as follows:

There shall be a provision setting forth the conditions, if any, under which the insurer reserves the right to require a person eligible for insurance to furnish evidence of individual insurability satisfactory to the insurer as a condition to part or all of his or her coverage.

Sec. 7111. RCW 48.24.170 and 1961 c 194 s 10 are each amended to read as follows:

There shall be a provision that the insurer will issue to the policyholder for delivery to each individual insured a certificate setting forth a statement as to the insurance protection to which he or she is entitled, to whom the insurance benefits are payable, described by name, relationship, or reference to the insurance records of the policyholder or insurer, and the rights and conditions set forth in RCW 48.24.180, 48.24.190 and 48.24.200, following.

Sec. 7112. RCW 48.24.180 and 1955 c 303 s 24 are each amended to read as follows:

There shall be a provision that if the insurance, or any portion of it, on an individual covered under the policy, other than a child insured pursuant to RCW 48.24.030, ceases because of termination of employment or of membership in the class or classes eligible for coverage under the policy, such individual shall be entitled to have issued to him or her by the insurer, without evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, provided application for the individual policy shall be made, and the first premium paid to the insurer, within thirty-one days after such termination, and provided further that,

(1) the individual policy shall, at the option of such individual, be on any one of the forms, except term insurance, then customarily issued by the insurer at the age and for the amount applied for;

(2) the individual policy shall be in an amount not in any event in excess of the amount of life insurance which ceases because of such termination nor less than one thousand dollars unless a smaller amount of coverage was provided for such individual under the group policy: PROVIDED, That any amount of insurance which matures on the date of such termination or has matured prior thereto under the group policy as an endowment payable to the individual insured, whether in one sum or in installments or in the form of an annuity, shall not, for the purposes of this provision, be included in the amount which is considered to cease because of such termination; and

(3) the premium on the individual policy shall be at the insurer's then customary rate applicable to the form and amount of the individual policy, to the class of risk to which such individual then belongs, and to his or her age attained on the effective date of the individual policy.

Sec. 7113. RCW 48.24.190 and 1953 c 197 s 13 are each amended to read as follows:

There shall be a provision that if the group policy terminates or is amended so as to terminate the insurance of any class of insured individuals, every individual insured thereunder at the date of such termination, other than a child insured pursuant to RCW 48.24.030, whose insurance terminates and who has been so insured for at least five years prior to such termination date shall be entitled to have issued to him or her by the insurer an individual policy of life insurance, subject to the same conditions and limitations as are provided by RCW 48.24.180, except that the group policy may provide that the amount of such individual policy shall not exceed the smaller of (a) the amount of the individual's life insurance protection ceasing because of the termination or amendment of the group policy, less the amount of any life insurance for which he or she is or becomes eligible under any group policy issued or reinstated by the same or another insurer within thirty-one days of such termination and (b) two thousand dollars.

Sec. 7114. RCW 48.24.200 and 1947 c 79 s .24.20 are each amended to read as follows:

There shall be a provision that if a person insured under the group policy dies during the period within which he or she would have been entitled to have an individual policy issued to him or her in accordance with RCW 48.24.180 and 48.24.190, and before such an individual policy shall have become effective, the amount of life insurance which he or she would have been entitled to have issued to him or her under such individual policy shall be payable as a claim under the group policy, whether or not application for the individual policy or the payment of the first premium therefor has been made.

Sec. 7115. RCW 48.25.180 and 1947 c 79 s .25.18 are each amended to read as follows:

There shall be a provision in the case of weekly premium policies granting, upon proper written request and upon presentation of evidence of the insurability of the insured satisfactory to the insurer, the privilege of converting his or her weekly premium industrial insurance to any form of life insurance with less

frequent premium payments regularly issued by the insurer, in accordance with terms and conditions agreed upon with the insurer. The privilege of making such conversion need be granted only if the insurer's weekly premium industrial policies on the life insured, in force as premium paying insurance and on which conversion is requested, grant benefits in event of death, exclusive of additional accidental death benefits and exclusive of any dividend additions, in an amount not less than the minimum amount of such insurance with less frequent premium payments issued by the insurer at the age of the insured on the plan of industrial or ordinary insurance desired.

Sec. 7116. RCW 48.25.190 and 1947 c 79 s .25.19 are each amended to read as follows:

There shall be a provision, in the case of monthly premium industrial policies, granting, upon proper written request and upon presentation of evidence of the insurability of the insured satisfactory to the insurer, the privilege of converting his or her monthly premium industrial insurance to any form of ordinary life insurance regularly issued by the insurer, in accordance with terms and conditions agreed upon with the insurer. The privilege of making such conversions need be granted only if the insurer's monthly premium industrial policies on the life insured, in force as premium paying insurance and on which conversion is requested, grant benefits in event of death, exclusive of additional accidental death benefits and exclusive of any dividend additions, in an amount not less than the minimum amount of ordinary insurance issued by the insurer at the age of the insured on the plan of ordinary insurance desired.

Sec. 7117. RCW 48.28.020 and 1955 c 30 s 1 are each amended to read as follows:

Any fiduciary required by law to give bonds, may include as part of his or her lawful expense to be allowed by the court or official by whom he or she was appointed, the reasonable amount paid as premium for such bonds to the authorized surety insurer or to the surplus line surety insurer which issued or guaranteed such bonds.

Sec. 7118. RCW 48.30.020 and 1947 c 79 s .30.02 are each amended to read as follows:

(1) No person shall either within or outside of this state enter into any contract, understanding or combination with any other person to do jointly or severally any act or engage in any practice for the purpose of

(a) controlling the rates to be charged for insuring any risk or any class of risks in this state; or

(b) unfairly discriminating against any person in this state by reason of his or her plan or method of transacting insurance, or by reason of his or her affiliation or nonaffiliation with any insurance organization; or

(c) establishing or perpetuating any condition in this state detrimental to free competition in the business of insurance or injurious to the insuring public.

(2) This section shall not apply relative to ocean marine and foreign trade insurances.

(3) This section shall not be deemed to prohibit the doing of things permitted to be done in accordance with the provisions of chapter 48.19 RCW of this code.

(4) Whenever the commissioner has knowledge of any violation of this section he or she shall forthwith order the offending person to discontinue such practice immediately or show cause to the satisfaction of the commissioner why such order should not be complied with. If the offender is an insurer or a licensee under this code and fails to comply with such order within thirty days after receipt thereof, the commissioner may forthwith revoke the offender's certificate of authority or licenses.

Sec. 7119. RCW 48.30.120 and 1947 c 79 s .30.12 are each amended to read as follows:

No director, officer, agent, attorney-in-fact, or employee of an insurer shall:

(1) Knowingly receive or possess himself of any of its property, otherwise than in payment for a just demand, and with intent to defraud, omit to make or to cause or direct to be made, a full and true entry thereof in its books and accounts; nor

(2) Make or concur in making any false entry, or concur in omitting to make any material entry, in its books or accounts; nor

(3) Knowingly concur in making or publishing any written report, exhibit or statement of its affairs or pecuniary condition containing any material statement which is false, or omit or concur in omitting any statement required by law to be contained therein; nor

(4) Having the custody or control of its books, willfully fail to make any proper entry in the books of the insurer as required by law, or to exhibit or allow the same to be inspected and extracts to be taken therefrom by any person entitled by law to inspect the same, or take extracts therefrom; nor

(5) If a notice of an application for an injunction or other legal process affecting or involving the property or business of the insurer is served upon him or her, fail to disclose the fact of such service and the time and place of such application to the other directors, officers, and managers thereof; nor

(6) Fail to make any report or statement lawfully required by a public officer.

Sec. 7120. RCW 48.30.130 and 1947 c 79 s .30.13 are each amended to read as follows:

A director of an insurer is deemed to have such knowledge of its affairs as to enable him or her to determine whether any act, proceeding, or omission of its directors is a violation of any provision of this chapter. If present at a meeting of directors at which any act, proceeding, or omission of its directors which is a violation of any such provision occurs, he or she must be deemed to have concurred therein unless at the time he or she causes or in writing requires his or her dissent therefrom to be entered on the minutes of the directors.

If absent from such meeting, he or she must be deemed to have concurred in any such violation if the facts constituting such violation appear on the records or minutes of the proceedings of the board of directors, and he or she remains a director of the insurer for six months thereafter without causing or in writing requiring his or her dissent from such violation to be entered upon such record or minutes.

Sec. 7121. RCW 48.30.250 and 1949 c 190 s 34 are each amended to read as follows:

(1) Any insurer may retain, invest in or acquire the whole or any part of the capital stock of any other insurer or insurers, or have a common management with any other insurer or insurers, unless such retention, investment, acquisition or common management is inconsistent with any other provision of this title, or unless by reason thereof the business of such insurers with the public is conducted in a manner which substantially lessens competition generally in the insurance business or tends to create a monopoly therein.

(2) Any person otherwise qualified may be a director of two or more insurers which are competitors, unless the effect thereof is to substantially lessen competition between insurers generally or tends to create a monopoly.

(3) If the commissioner finds, after a hearing thereon, that there is violation of this section he or she shall order all such persons and insurers to cease and desist from such violation within such time, or extension thereof, as may be specified in such order.

Sec. 7122. RCW 48.31.010 and 1973 1st ex.s. c 107 s 3 are each amended to read as follows:

(1) Subject to the provisions of RCW 48.08.080, relating to the mutualization of stock insurers, RCW 48.09.350, relating to the conversion or reinsurance of mutual insurers, and RCW 48.10.330, relating to the consolidation or conversion of reciprocal insurers, a domestic insurer may merge or consolidate with another insurer, subject to the following conditions:

(a) The plan of merger or consolidation must be submitted to and be approved by the commissioner in advance of the merger or consolidation.

(b) The commissioner shall not approve any such plan unless, after a hearing, pursuant to such notice as the commissioner may require, he or she finds that it is fair, equitable, consistent with law, and that no reasonable objection exists. If the commissioner fails to approve the plan, he or she shall state his or her reasons for such failure in his or her order made on such hearing. The insurers involved in the merger shall bear the expense of the mailing of the notice of hearing and of the order on hearing.

(c) No director, officer, member, or subscriber of any such insurer, except as is expressly provided by the plan of merger or consolidation, shall receive any fee, commission, other compensation or valuable consideration whatsoever, for in any manner aiding, promoting or assisting in the merger or consolidation.

(d) Any merger or consolidation as to an incorporated domestic insurer shall in other respects be governed by the general laws of this state relating to business corporations. Except, that as to domestic mutual insurers, approval by two-thirds of its members who vote thereon pursuant to such notice and procedure as was approved by the commissioner shall constitute approval of the merger or consolidation as respects the insurer's members.

(2) Reinsurance of all or substantially all of the insurance in force of a domestic insurer by another insurer shall be deemed a consolidation for the purposes of this section.

Sec. 7123. RCW 48.31.050 and 1947 c 79 s .31.05 are each amended to read as follows:

The commissioner may apply for an order directing him or her to liquidate the business of a domestic insurer or of the United States branch of an alien insurer having trusteed assets in this state, regardless of whether or not there has been a prior order directing him or her to rehabilitate such insurer, upon any of the grounds specified in RCW 48.31.030 or upon any one or more of the following grounds: That the insurer

(1) Has ceased transacting business for a period of one year; or

(2) Is an insolvent insurer and has commenced voluntary liquidation or dissolution, or attempts to commence or prosecute any action or proceeding to liquidate its business or affairs, or to dissolve its corporate charter, or to procure the appointment of a receiver, trustee, custodian, or sequestrator under any law except this code; or

(3) Has not organized or completed its organization and obtained a certificate of authority as an insurer prior to the expiration or revocation of its solicitation permit.

Sec. 7124. RCW 48.31.060 and 1947 c 79 s .31.06 are each amended to read as follows:

(1) An order to liquidate the business of a domestic insurer shall direct the commissioner forthwith to take possession of the property of the insurer, to liquidate its business, to deal with the insurer's property and business in his or her own name as commissioner or in the name of the insurer as the court may direct, to give notice to all creditors who may have claims against the insurer to present such claims.

(2) The commissioner may apply under this chapter for an order dissolving the corporate existence of a domestic insurer:

(a) Upon his or her application for an order of liquidation of such insurer, or at any time after such order has been granted; or

(b) Upon the grounds specified in item (3) of RCW 48.31.050, regardless of whether an order of liquidation is sought or has been obtained.

Sec. 7125. RCW 48.31.080 and 1947 c 79 s .31.08 are each amended to read as follows:

The commissioner may apply for an order directing him or her to conserve the assets within this state of a foreign insurer upon any one or more of the following grounds:

(1) Upon any of the grounds specified in items (1) to (9) inclusive of RCW 48.31.030 and in item (2) of RCW 48.31.050.

(2) That its property has been sequestered in its domiciliary sovereignty or in any other sovereignty.

Sec. 7126. RCW 48.31.090 and 1947 c 79 s .31.09 are each amended to read as follows:

The commissioner may apply for an order directing him or her to conserve the assets within this state of an alien insurer upon any one or more of the following grounds:

(1) Upon any of the grounds specified in items (1) to (9) inclusive of RCW 48.31.030 and in item (2) of RCW 48.31.050; or

(2) That the insurer has failed to comply, within the time designated by the commissioner, with an order of the commissioner pursuant to law to make good an impairment of its trusted funds; or

(3) That the property of the insurer has been sequestered in its domiciliary sovereignty or elsewhere.

Sec. 7127. RCW 48.31.190 and 1993 c 462 s 82 are each amended to read as follows:

(1) Proceedings under this chapter involving a domestic insurer shall be commenced in the superior court for the county in which is located the insurer's home office or, at the election of the commissioner, in the superior court for Thurston county. Proceedings under this chapter involving other insurers shall be commenced in the superior court for Thurston county.

(2) The commissioner shall commence any such proceeding, the attorney general representing him or her, by an application to the court or to any judge thereof, for an order directing the insurer to show cause why the commissioner should not have the relief prayed for.

(3) Upon a showing of an emergency or threat of imminent loss to policyholders of the insurer the court may issue an ex parte order authorizing the commissioner immediately to take over the premises and assets of the insurer, the commissioner then to preserve the status quo, pending a hearing on the order to show cause, which shall be heard as soon as the court calendar permits in preference to other civil cases.

(4) In response to any order to show cause issued under this chapter the insurer shall have the burden of going forward with and producing evidence to show why the relief prayed for by the commissioner is not required.

(5) On the return of such order to show cause, and after a full hearing, the court shall either deny the relief sought in the application or grant the relief sought in the application together with such other relief as the nature of the case and the interest of policyholders, creditors, stockholders, members, subscribers, or the public may require.

(6) No appellate review of a superior court order, entered after a hearing, granting the commissioner's petition to rehabilitate an insurer or to carry out an insolvency proceeding under this chapter, shall stay the action of the commissioner in the discharge of his responsibilities under this chapter, pending a decision by the appellate court in the matter.

(7) In any proceeding under this chapter the commissioner and his or her deputies shall be responsible on their official bonds for the faithful performance of their duties. If the court deems it desirable for the protection of the assets, it may at any time require an additional bond from the commissioner or his or her deputies.

Sec. 7128. RCW 48.31.210 and 1947 c 79 s .31.21 are each amended to read as follows:

At any time after the commencement of a proceeding under this chapter the commissioner may apply to the court for an order changing the venue of, and removing the proceeding to Thurston county, or to any other county of this state in which he or she deems that such proceeding may be most economically and efficiently conducted.

Sec. 7129. RCW 48.31.220 and 1947 c 79 s .31.22 are each amended to read as follows:

The moneys collected by the commissioner in a proceeding under this chapter, shall be, from time to time, deposited in one or more state or national banks, savings banks, or trust companies, and in the case of the insolvency or voluntary or involuntary liquidation of any such depository which is an institution organized and supervised under the laws of this state, such deposits shall be entitled to priority of payment on an equality with any other priority given by the banking law of this state. The commissioner may in his or her discretion deposit such moneys or any part thereof in a national bank or trust company as a trust fund.

Sec. 7130. RCW 48.31.230 and 1947 c 79 s .31.23 are each amended to read as follows:

The commissioner shall not be required to pay any fee to any public officer in this state for filing, recording, issuing a transcript or certificate, or authenticating any paper or instrument pertaining to the exercise by the commissioner of any of the powers or duties conferred upon him or her under this chapter, whether or not such paper or instrument be executed by the commissioner or his or her deputies, employees, or attorneys of record and whether or not it is connected with the commencement of an action or proceeding by or against the commissioner, or with the subsequent conduct of such action or proceeding.

Sec. 7131. RCW 48.31.240 and 1947 c 79 s .31.24 are each amended to read as follows:

For the purpose of facilitating the rehabilitation, liquidation, conservation or dissolution of an insurer pursuant to this chapter the commissioner may, subject to the approval of the court, borrow money and execute, acknowledge and deliver notes or other evidences of indebtedness therefor and secure the repayment of the same by the mortgage, pledge, assignment, transfer in trust, or hypothecation of any or all of the property whether real, personal or mixed of such insurer, and the commissioner, subject to the approval of the court, shall have power to take any and all other action necessary and proper to consummate any such loans and to provide for the repayment thereof. The commissioner shall be under no obligation personally or in his or her official capacity as commissioner to repay any loan made pursuant to this section.

Sec. 7132. RCW 48.31.270 and 1947 c 79 s .31.27 are each amended to read as follows:

(1) Any transfer of, or lien upon, the property of an insurer which is made or created within four months prior to the granting of an order to show cause under this chapter with the intent of giving to any creditor or of enabling him or her to obtain a greater percentage of his or her debt than any other creditor of the same class and which is accepted by such creditor having reasonable cause to believe that such a preference will occur, shall be voidable.

(2) Every director, officer, employee, stockholder, member, subscriber, and any other person acting on behalf of such insurer who shall be concerned in any such act or deed and every person receiving thereby any property of such insurer or the benefit thereof shall be personally liable therefor and shall be bound to account to the commissioner.

(3) The commissioner as liquidator, rehabilitator or conservator in any proceeding under this chapter, may avoid any transfer of, or lien upon the property of an insurer which any creditor, stockholder, subscriber or member of such insurer might have avoided and may recover the property so transferred unless such person was a bona fide holder for value prior to the date of the granting of an order to show cause under this chapter. Such property or its value may be recovered from anyone who has received it except a bona fide holder for value as above specified.

Sec. 7133. RCW 48.31.290 and 1947 c 79 s .31.29 are each amended to read as follows:

(1) In all cases of mutual debts or mutual credits between the insurer and another person in connection with any action or proceeding under this chapter, such credits and debts shall be set off and the balance only shall be allowed or paid, except as provided in subsection (2) of this section.

(2) No offset shall be allowed in favor of any such person where (a) the obligation of the insurer to such person would not at the date of the entry of any liquidation order, or otherwise, as provided in RCW 48.31.260, entitle him or her to share as a claimant in the assets of the insurer, or (b) the obligation of the insurer to such person was purchased by or transferred to such person with a view of its being used as an offset, or (c) the obligation of such person is to pay an assessment levied against the members of a mutual insurer, or against the subscribers of a reciprocal insurer, or is to pay a balance upon a subscription to the capital stock of a stock insurer.

Sec. 7134. RCW 48.31.310 and 1947 c 79 s .31.31 are each amended to read as follows:

(1) If upon the granting of an order of liquidation under this chapter or at any time thereafter during the liquidation proceeding, the insurer shall not be clearly solvent, the court shall after such notice and hearing as it deems proper, make an order declaring the insurer to be insolvent. Thereupon, regardless of any prior notice which may have been given to creditors, the commissioner shall notify all persons who may have claims against such insurer and who have not filed proper proofs thereof, to present the same to him or her, at a place specified in such notice, within four months from the date of the entry of such order, or if the commissioner shall certify that it is necessary, within such longer time as the court shall prescribe. The last day for the filing of proofs of claim shall be specified in the notice. Such notice shall be given in a manner determined by the court.

(2) Proofs of claim may be filed subsequent to the date specified, but no such claim shall share in the distribution of the assets until all allowed claims, proofs of which have been filed before said date, have been paid in full with interest.

Sec. 7135. RCW 48.31.340 and 1947 c 79 s .31.34 are each amended to read as follows:

After levy of assessment as provided in RCW 48.31.330, upon the filing of a further detailed report by the commissioner, the court shall issue an order directing each member (if a mutual insurer) or each subscriber (if a reciprocal insurer) if he or she shall not pay the amount assessed against him or her to the commissioner on or before a day to be specified in the order, to show cause why

he or she should not be held liable to pay such assessment together with costs as set forth in RCW 48.31.360 and why the commissioner should not have judgment therefor.

Sec. 7136. RCW 48.31.350 and 1947 c 79 s .31.35 are each amended to read as follows:

The commissioner shall cause a notice of such assessment order setting forth a brief summary of the contents of such order to be:

- (1) Published in such manner as shall be directed by the court; and
- (2) Enclosed in a sealed envelope, addressed and mailed postage prepaid to each member or subscriber liable thereunder at his or her last known address as it appears on the records of the insurer, at least twenty days before the return day of the order to show cause provided for in RCW 48.31.340.

Sec. 7137. RCW 48.31.360 and 1947 c 79 s .31.36 are each amended to read as follows:

(1) On the return day of the order to show cause provided for in RCW 48.31.340 if the member or subscriber does not appear and serve verified objections upon the commissioner, the court shall make an order adjudging that such member or subscriber is liable for the amount of the assessment against him or her together with ten dollars costs, and that the commissioner may have judgment against the member or subscriber therefor.

(2) If on such return day the member or subscriber shall appear and serve verified objections upon the commissioner there shall be a full hearing before the court or a referee to hear and determine, who, after such hearing, shall make an order either negating the liability of the member or subscriber to pay the assessment or affirming his or her liability to pay the whole or some part thereof together with twenty-five dollars costs and the necessary disbursements incurred at such hearing, and directing that the commissioner in the latter case may have judgment therefor.

(3) A judgment upon any such order shall have the same force and effect, and may be entered and docketed, and may be appealed from as if it were a judgment in an original action brought in the court in which the proceeding is pending.

Sec. 7138. RCW 48.32.080 and 1975-'76 2nd ex.s. c 109 s 7 are each amended to read as follows:

(1) The commissioner shall:

(a) Notify the association promptly whenever he or she or any of his or her examiners has, or comes into, possession of any data or information relative to any insurer under his or her jurisdiction for any purpose indicating that such insurer is in or is approaching a condition of impaired assets, imminent insolvency, or insolvency.

(b) Furnish to the association copies of all preliminary and final audits, investigations, memorandums, opinions, and reports relative to any insurer under his or her jurisdiction for any purpose, promptly upon the preparation of any thereof.

(c) Notify the association of the existence of an insolvent insurer not later than three days after he receives notice of the determination of the insolvency. The association shall be entitled to a copy of any complaint seeking an order of

liquidation with a finding of insolvency against a member insurer at the same time such complaint is filed with a court of competent jurisdiction.

(d) Upon request of the board of directors, provide the association with a statement of the net direct written premiums of each member insurer.

(2) The commissioner may:

(a) Require that the association notify the insureds of the insolvent insurer and any other interested parties of the determination of insolvency and of their rights under this chapter. Such notification shall be by mail at their last known address, where available, but if sufficient information for notification by mail is not available, notice by publication or in a newspaper of general circulation shall be sufficient.

(b) Suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the commissioner may levy a fine on any member insurer which fails to pay an assessment when due. Such fine shall not exceed five percent of the unpaid assessment per month, except that no fine shall be less than one hundred dollars per month.

(c) Revoke the designation of any servicing facility if he or she finds claims are being handled unsatisfactorily.

(3) Whenever the commissioner or any of his or her examiners comes into possession of or obtains any data or information indicating that any insurer under his or her jurisdiction for any purpose is in or is approaching a condition of impaired assets, imminent insolvency, or insolvency, he or she shall within fifteen days of having such data or information commence investigation and/or take formal action relative to any such insurer, and in addition within said time shall notify the association of such condition. Upon failure of the commissioner so to act, the association is hereby authorized and directed to act and commence appropriate investigation or proceedings or may at its option refer the matter to the attorney general for appropriate action relative to which the attorney general shall keep the association advised throughout any such action or proceedings.

(4) Any final action or order of the commissioner under this chapter shall be subject to judicial review in a court of competent jurisdiction.

Sec. 7139. RCW 48.32.090 and 1971 ex.s. c 265 s 9 are each amended to read as follows:

(1) Any person recovering under this chapter shall be deemed to have assigned his or her rights under the policy to the association to the extent of his or her recovery from the association. Every insured or claimant seeking the protection of this chapter shall cooperate with the association to the same extent as such person would have been required to cooperate with the insolvent insurer. The association shall have no cause of action against the insured of the insolvent insurer for any sums it has paid out.

(2) The receiver, liquidator, or statutory successor of an insolvent insurer shall be bound by settlements of covered claims by the association or a similar organization in another state. The court having jurisdiction shall grant such claims priority equal to that which the claimant would have been entitled in the absence of this chapter against the assets of the insolvent insurer. The expenses of the association or similar organization in handling claims shall be accorded the same priority as the liquidator's expenses.

(3) The association shall periodically file with the receiver or liquidator of the insolvent insurer statements of the covered claims paid by the association and estimates of anticipated claims on the association which shall preserve the right of the association against the assets of the insolvent insurer.

Sec. 7140. RCW 48.32.110 and 1971 ex.s. c 265 s 11 are each amended to read as follows:

To aid in the detection and prevention of insurer insolvencies:

(1) It shall be the duty of the board of directors, upon majority vote, to notify the commissioner of any information indicating any member insurer may be insolvent or in a financial condition hazardous to the policyholders or the public.

(2) The board of directors may, upon majority vote, request that the commissioner order an examination of any member insurer which the board in good faith believes may be in a financial condition hazardous to the policyholders or the public. Within thirty days of the receipt of such request, the commissioner shall begin such examination. The examination may be conducted as a National Association of Insurance Commissioners examination or may be conducted by such persons as the commissioner designates. The cost of such examination shall be paid by the association and the examination report shall be treated as are other examination reports. In no event shall such examination report be released to the board of directors prior to its release to the public, but this shall not preclude the commissioner from complying with subsection (3) of this section. The commissioner shall notify the board of directors when the examination is completed. The request for an examination shall be kept on file by the commissioner but it shall not be open to public inspection prior to the release of the examination report to the public.

(3) It shall be the duty of the commissioner to report to the board of directors when he or she has reasonable cause to believe that any member insurer examined or being examined at the request of the board of directors may be insolvent or in a financial condition hazardous to the policyholders or the public.

(4) The board of directors may, upon majority vote, make reports and recommendations to the commissioner upon any matter germane to the solvency, liquidation, rehabilitation or conservation of any member insurer. Such reports and recommendations shall not be considered public documents.

(5) The board of directors may, upon majority vote, make recommendations to the commissioner for the detection and prevention of insurer insolvencies.

(6) The board of directors shall, at the conclusion of any insurer insolvency in which the association was obligated to pay covered claims, prepare a report on the history and causes of such insolvency, based on the information available to the association, and submit such report to the commissioner.

Sec. 7141. RCW 48.32.150 and 1971 ex.s. c 265 s 15 are each amended to read as follows:

There shall be no liability on the part of and no cause of action of any nature shall arise against any member insurer, the association or its agents or employees, the board of directors, or the commissioner or his or her representatives for any action taken by them in the performance of their powers and duties under this chapter.

Sec. 7142. RCW 48.32.170 and 1971 ex.s. c 265 s 17 are each amended to read as follows:

(1) The commissioner shall by order terminate the operation of the Washington insurers insolvency pool as to any kind of insurance afforded by property or casualty insurance policies with respect to which he or she has found, after hearing, that there is in effect a statutory or voluntary plan which:

(a) Is a permanent plan which is adequately funded or for which adequate funding is provided; and

(b) Extends, or will extend to state policyholders and residents protection and benefits with respect to insolvent insurers not substantially less favorable and effective to such policyholders and residents than the protection and benefits provided with respect to such kind of insurance under this chapter.

(2) The commissioner shall by the same such order authorize discontinuance of future payments by insurers to the Washington insurers insolvency pool with respect to the same kinds of insurance: PROVIDED, That assessments and payments shall continue, as necessary, to liquidate covered claims of insurers adjudged insolvent prior to said order and the related expenses not covered by such other plan.

(3) In the event the operation of any account of the Washington insurers insolvency pool shall be so terminated as to all kinds of insurance otherwise within its scope, the pool as soon as possible thereafter shall distribute the balance of the moneys and assets remaining in said account (after discharge of the functions of the pool with respect to prior insurer insolvencies not covered by such other plan, together with related expenses) to the insurers which are then writing in this state policies of the kinds of insurance covered by such account, and which had made payments into such account, pro rata upon the basis of the aggregate of such payments made by the respective insurers to such account during the period of five years next preceding the date of such order. Upon completion of such distribution with respect to all of the accounts specified in RCW 48.32.060, this chapter shall be deemed to have expired.

Sec. 7143. RCW 48.34.100 and 1969 ex.s. c 241 s 15 are each amended to read as follows:

(1) All policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements, and riders delivered or issued for delivery in this state and the schedules of premium rates pertaining thereto shall be filed with the commissioner.

(2) No such policies, certificates of insurance, notices of proposed insurance, applications for insurance, endorsements, or riders shall be used in this state until approved by the commissioner pursuant to RCW 48.18.100 and RCW 48.18.110. In addition to any grounds for disapproval provided therein, the form shall be disapproved both as to credit life and credit accident and health insurance if the benefits provided therein are not reasonable in relation to the premium charged.

(3) If a group policy of credit life insurance or credit accident and health insurance has been delivered in this state before midnight, June 7, 1961, on the first anniversary date following such time the terms of the policy as they apply to persons newly insured thereafter shall be rewritten to conform with the provisions of this chapter.

(4) If a group policy has been or is delivered in another state before or after August 11, 1969, the forms to be filed by the insurer with the commissioner are the group certificates and notices of proposed insurance delivered or issued for delivery in this state. He or she shall approve them if:

(a) They provide the information that would be required if the group policy was delivered in this state; and

(b) The applicable premium rates or charges do not exceed those established by his rules or regulations.

Sec. 7144. RCW 48.34.120 and 1961 c 219 s 12 are each amended to read as follows:

When the credit life insurance or credit accident and health insurance is required in connection with any credit transaction, the debtor shall, upon request to the creditor, have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him or her or of procuring and furnishing the required coverage through any insurer authorized to transact an insurance business within this state.

Sec. 7145. RCW 48.44.040 and 1947 c 268 s 4 are each amended to read as follows:

Every health care service contractor who or which enters into agreements which require prepayment for health care services shall register with the insurance commissioner on forms to be prescribed and provided by him or her. Such registrants shall state their name, address, type of organization, area of operation, type or types of health care services provided, and such other information as may reasonably be required by the insurance commissioner and shall file with such registration a copy of all contracts being offered and a schedule of all rates charged. No registrant shall change any rates, modify any contract, or offer any new contract, until he or she has filed a copy of the changed rate schedule, modified contract, or new contract with the insurance commissioner. The insurance commissioner shall charge a fee of ten dollars for the filing of each original registration statement and may require each registrant to file a current reregistration statement annually thereafter.

Sec. 7146. RCW 48.44.090 and 1961 c 197 s 6 are each amended to read as follows:

The insurance commissioner shall refuse to accept the registration of any corporation, cooperative group, or association seeking to act as a health care service contractor if, in his or her discretion, the insurance commissioner deems that the name of the corporation, cooperative group, or association would be confused with the name of an existing registered health care service contractor or authorized insurance company.

Sec. 7147. RCW 48.44.145 and 1986 c 296 s 8 are each amended to read as follows:

(1) The commissioner may make an examination of the operations of any health care service contractor as often as he or she deems necessary in order to carry out the purposes of this chapter.

(2) Every health care service contractor shall submit its books and records relating to its operation for financial condition and market conduct examinations and in every way facilitate them. For the purpose of examinations, the

commissioner may issue subpoenas, administer oaths, and examine the officers and principals of the health care service contractor.

(3) The commissioner may elect to accept and rely on audit reports made by an independent certified public accountant for the health care service contractor in the course of that part of the commissioner's examination covering the same general subject matter as the audit. The commissioner may incorporate the audit report in his or her report of the examination.

(4) Whenever any health care service contractor applies for initial admission, the commissioner may make, or cause to be made, an examination of the applicant's business and affairs. Whenever such an examination is made, all of the provisions of chapter 48.03 RCW not inconsistent with this chapter shall be applicable. In lieu of making an examination himself or herself the commissioner may, in the case of a foreign health care service contractor, accept an examination report of the applicant by the regulatory official in its state of domicile.

Sec. 7148. RCW 48.44.160 and 1988 c 248 s 19 are each amended to read as follows:

The insurance commissioner may, subject to a hearing if one is demanded pursuant to chapters 48.04 and 34.05 RCW, revoke, suspend, or refuse to accept or renew registration from any health care service contractor, or he or she may issue a cease and desist order, or bring an action in any court of competent jurisdiction to enjoin a health care service contractor from doing further business in this state, if such health care service contractor:

(1) Fails to comply with any provision of chapter 48.44 RCW or any proper order or regulation of the commissioner.

(2) Is found by the commissioner to be in such financial condition that its further transaction of business in this state would jeopardize the payment of claims and refunds to subscribers.

(3) Has refused to remove or discharge a director or officer who has been convicted of any crime involving fraud, dishonesty, or like moral turpitude, after written request by the commissioner for such removal, and expiration of a reasonable time therefor as specified in such request.

(4) Usually compels claimants under contracts either to accept less than the amount due them or to bring suit against it to secure full payment of the amount due.

(5) Is affiliated with and under the same general management, or interlocking directorate, or ownership as another health care contractor which operates in this state without having registered therefor, except as is permitted by this chapter.

(6) Refuses to be examined, or if its directors, officers, employees or representatives refuse to submit to examination or to produce its accounts, records, and files for examination by the commissioner when required, or refuse to perform any legal obligation relative to the examination.

(7) Fails to pay any final judgment rendered against it in this state upon any contract, bond, recognizance, or undertaking issued or guaranteed by it, within thirty days after the judgment became final or within thirty days after time for taking an appeal has expired, or within thirty days after dismissal of an appeal before final determination, whichever date is the later.

(8) Is found by the commissioner, after investigation or upon receipt of reliable information, to be managed by persons, whether by its directors, officers, or by any other means, who are incompetent or untrustworthy or so lacking in health care contracting or related managerial experience as to make the operation hazardous to the subscribing public; or that there is good reason to believe it is affiliated directly or indirectly through ownership, control, or other business relations, with any person or persons whose business operations are or have been marked, to the detriment of policyholders or stockholders, or investors or creditors or subscribers or of the public, by bad faith or by manipulation of assets, or of accounts, or of reinsurance.

Sec. 7149. RCW 48.44.170 and 1961 c 197 s 14 are each amended to read as follows:

For the purposes of this chapter, the insurance commissioner shall be subject to and may avail himself or herself of the provisions of chapter 48.04 RCW, which relate to hearings and appeals.

Sec. 7150. RCW 48.46.040 and 1990 c 119 s 3 are each amended to read as follows:

The commissioner shall issue a certificate of registration to the applicant within sixty days of such filing unless he or she notifies the applicant within such time that such application is not complete and the reasons therefor; or that he or she is not satisfied that:

(1) The basic organizational document of the applicant permits the applicant to conduct business as a health maintenance organization;

(2) The organization has demonstrated the intent and ability to assure that comprehensive health care services will be provided in a manner to assure both their availability and accessibility;

(3) The organization is financially responsible and may be reasonably expected to meet its obligations to its enrolled participants. In making this determination, the commissioner shall consider among other relevant factors:

(a) Any agreements with an insurer, a medical or hospital service bureau, a government agency or any other organization paying or insuring payment for health care services;

(b) Any agreements with providers for the provision of health care services;

(c) Any arrangements for liability and malpractice insurance coverage; and

(d) Adequate procedures to be implemented to meet the protection against insolvency requirements in RCW 48.46.245.

(4) The procedures for offering health care services and offering or terminating contracts with enrolled participants are reasonable and equitable in comparison with prevailing health insurance subscription practices and health maintenance organization enrollment procedures; and, that

(5) Procedures have been established to:

(a) Monitor the quality of care provided by such organization, including, as a minimum, procedures for internal peer review;

(b) Resolve complaints and grievances initiated by enrolled participants in accordance with RCW 48.46.010 and 48.46.100;

(c) Offer enrolled participants an opportunity to participate in matters of policy and operation in accordance with RCW 48.46.020(7) and 48.46.070.

No person to whom a certificate of registration has not been issued, except a health maintenance organization certified by the secretary of the department of health and human services, pursuant to Public Law 93-222 or its successor, shall use the words "health maintenance organization" or the initials "HMO" in its name, contracts, or literature. Persons who are contracting with, operating in association with, recruiting enrolled participants for, or otherwise authorized by a health maintenance organization possessing a certificate of registration to act on its behalf may use the terms "health maintenance organization" or "HMO" for the limited purpose of denoting or explaining their relationship to such health maintenance organization.

The department of health, at the request of the insurance commissioner, shall inspect and review the facilities of every applicant health maintenance organization to determine that such facilities are reasonably adequate to provide the health care services offered in their contracts. If the commissioner has information to indicate that such facilities fail to continue to be adequate to provide the health care services offered, the department of health, upon request of the insurance commissioner, shall reinspect and review the facilities and report to the insurance commissioner as to their adequacy or inadequacy.

Sec. 7151. RCW 48.46.110 and 1983 c 202 s 11 are each amended to read as follows:

(1) No health maintenance organization may refer to itself in its name or advertising with any of the words: "insurance", "casualty", "surety", "mutual", or any other words descriptive of the insurance, casualty, or surety business, or deceptively similar to the name or description of any insurance or surety corporation or health care service contractor or other health maintenance organization doing business in this state.

(2) No health maintenance organization, nor any health care facility or provider with which such organization has contracted to provide health care services, shall discriminate against any person from whom or on whose behalf, payment to meet the required charge is available, with regard to enrollment, disenrollment, or the provision of health care services, on the basis of such person's race, color, sex, religion, place of residence if there is reasonable access to the facility of the health maintenance organization, socioeconomic status, or status as a recipient of medicare under Title XVIII of the Social Security Act, 42 U.S.C. section 1396, et seq.

(3) Where a health maintenance organization determines that an enrolled participant has received health care services to which such enrolled participant is not entitled under the terms of his or her health maintenance agreement, neither such organization, nor any health care facility or provider with which such organization has contracted to provide health care services, shall have recourse against such enrolled participant for any amount above the actual cost of providing such service, if any, specified in such agreement, unless the enrolled participant or a member of his or her family has given or withheld information to the health maintenance organization, the effect of which is to mislead or misinform the health maintenance organization as to the enrolled participant's right to receive such services.

Sec. 7152. RCW 48.46.120 and 2007 c 468 s 2 are each amended to read as follows:

(1) The commissioner may make an examination of the operations of any health maintenance organization as often as he or she deems necessary in order to carry out the purposes of this chapter.

(2) Every health maintenance organization shall submit its books and records relating its operation for financial condition and market conduct examinations and in every way facilitate them. The quality or appropriateness of medical services or systems shall not be examined except to the extent that such items are incidental to an examination of the financial condition or the market conduct of a health maintenance organization. For the purpose of examinations, the commissioner may issue subpoenas, administer oaths, and examine the officers and principals of the health maintenance organization and the principals of such providers concerning their business.

(3) The commissioner may elect to accept and rely on audit reports made by an independent certified public accountant for the health maintenance organization in the course of that part of the commissioner's examination covering the same general subject matter as the audit. The commissioner may incorporate the audit report in his or her report of the examination.

Sec. 7153. RCW 48.46.200 and 1975 1st ex.s. c 290 s 21 are each amended to read as follows:

The commissioner may, in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW, promulgate rules and regulations as necessary or proper to carry out the provisions of this chapter. Nothing in this chapter shall be construed to prohibit the commissioner from requiring changes in procedures previously approved by him or her.

Sec. 7154. RCW 48.46.240 and 1990 c 119 s 6 are each amended to read as follows:

(1) Each health maintenance organization obtaining a certificate of registration from the commissioner shall provide and maintain a funded reserve of one hundred fifty thousand dollars. The funded reserve shall be deposited with the commissioner or with any organization/trustee acceptable to him or her in the form of cash, securities eligible for investment by the health maintenance organization pursuant to chapter 48.13 RCW, approved surety bond or any combination of these, and must equal or exceed one hundred fifty thousand dollars. The funded reserve shall be established as an assurance that the uncovered expenditure obligations of the health maintenance organization to the enrolled participants will be performed.

(2) All income from reserves on deposit with the commissioner shall belong to the depositing health maintenance organization and shall be paid to it as it becomes available.

(3) Any funded reserve required by this section shall be considered an asset of the health maintenance organization in determining the organization's net worth.

(4) A health maintenance organization that has made a securities deposit with the commissioner may, at its option, withdraw the securities deposit or any part of the deposit after first having deposited or provided in lieu thereof an approved surety bond, a deposit of cash or securities, or any combination of

these or other deposits of equal amount and value to that withdrawn. Any securities and surety bond shall be subject to approval by the commissioner before being substituted.

Sec. 7155. RCW 48.56.040 and 1969 ex.s. c 190 s 4 are each amended to read as follows:

(1) Upon the filing of an application and the payment of the license fee the commissioner shall make an investigation of each applicant and shall issue a license if the applicant is qualified in accordance with this chapter. If the commissioner does not so find, he or she shall, within thirty days after he or she has received such application, at the request of the applicant, give the applicant a full hearing.

(2) The commissioner shall issue or renew a license as may be applied for when he or she is satisfied that the person to be licensed—

(a) is competent and trustworthy and intends to act in good faith in the capacity involved by the license applied for,

(b) has a good business reputation and has had experience, training, or education so as to be qualified in the business for which the license is applied for, and

(c) if a corporation, is a corporation incorporated under the laws of the state or a foreign corporation authorized to transact business in the state.

Sec. 7156. RCW 48.56.050 and 1969 ex.s. c 190 s 5 are each amended to read as follows:

(1) The commissioner may revoke or suspend the license of any premium finance company when and if after investigation it appears to the commissioner that—

(a) any license issued to such company was obtained by fraud,

(b) there was any misrepresentation in the application for the license,

(c) the holder of such license has otherwise shown himself or herself untrustworthy or incompetent to act as a premium finance company, or

(d) such company has violated any of the provisions of this chapter.

(2) Before the commissioner shall revoke, suspend, or refuse to renew the license of any premium finance company, he or she shall give to such person an opportunity to be fully heard and to introduce evidence in his or her behalf. In lieu of revoking or suspending the license for any of the causes enumerated in this section, after hearing as herein provided, the commissioner may subject such company to a penalty of not more than two hundred dollars for each offense when in his or her judgment he or she finds that the public interest would not be harmed by the continued operation of such company. The amount of any such penalty shall be paid by such company through the office of the commissioner to the state treasurer. At any hearing provided by this section, the commissioner shall have authority to administer oaths to witnesses. Anyone testifying falsely, after having been administered such oath, shall be subject to the penalty of perjury.

(3) If the commissioner refuses to issue or renew any license or if any applicant or licensee is aggrieved by any action of the commissioner, said applicant or licensee shall have the right to a hearing and court proceeding as provided by statute.

Sec. 7157. RCW 48.56.060 and 1969 ex.s. c 190 s 6 are each amended to read as follows:

(1) Every licensee shall maintain records of its premium finance transactions and the said records shall be open to examination and investigation by the commissioner. The commissioner may at any time require any licensee to bring such records as he or she may direct to the commissioner's office for examination.

(2) Every licensee shall preserve its records of such premium finance transactions, including cards used in a card system, for at least three years after making the final entry in respect to any premium finance agreement. The preservation of records in photographic form shall constitute compliance with this requirement.

Sec. 7158. RCW 48.56.110 and 1969 ex.s. c 190 s 11 are each amended to read as follows:

(1) When a premium finance agreement contains a power of attorney enabling the premium finance company to cancel any insurance contract or contracts listed in the agreement, the insurance contract or contracts shall not be canceled by the premium finance company unless such cancellation is effectuated in accordance with this section.

(2) Not less than ten days' written notice shall be mailed to the insured of the intent of the premium finance company to cancel the insurance contract unless the default is cured within such ten day period.

(3) After expiration of such ten day period, the premium finance company may thereafter request in the name of the insured, cancellation of such insurance contract or contracts by mailing to the insurer a notice of cancellation, and the insurance contract shall be canceled as if such notice of cancellation had been submitted by the insured himself or herself, but without requiring the return of the insurance contract or contracts. The premium finance company shall also mail a notice of cancellation to the insured at his last known address.

(4) All statutory, regulatory, and contractual restrictions providing that the insurance contract may not be canceled unless notice is given to a governmental agency, mortgagee, or other third party shall apply where cancellation is effected under the provisions of this section. The insurer shall give the prescribed notice in behalf of itself or the insured to any governmental agency, mortgagee, or other third party on or before the second business day after the day it receives the notice of cancellation from the premium finance company and shall determine the effective date of cancellation taking into consideration the number of days notice required to complete the cancellation.

Sec. 7159. RCW 48.99.020 and 1947 c 79 s .31.12 are each amended to read as follows:

(1) Whenever under the laws of this state a receiver is to be appointed in delinquency proceedings for an insurer domiciled in this state, the court shall appoint the commissioner as such receiver. The court shall direct the commissioner forthwith to take possession of the assets of the insurer and to administer the same under the orders of the court.

(2) As domiciliary receiver the commissioner shall be vested by operation of law with the title to all of the property, contracts, and rights of action, and all of the books and records of the insurer wherever located, as of the date of entry

of the order directing him or her to rehabilitate or liquidate a domestic insurer, or to liquidate the United States branch of an alien insurer domiciled in this state, and he or she shall have the right to recover the same and reduce the same to possession; except that ancillary receivers in reciprocal states shall have, as to assets located in their respective states, the rights and powers which are hereinafter prescribed for ancillary receivers appointed in this state as to assets located in this state.

(3) The filing or recording of the order directing possession to be taken, or a certified copy thereof, in the office where instruments affecting title to property are required to be filed or recorded shall impart the same notice as would be imparted by a deed, bill of sale, or other evidence of title duly filed or recorded.

(4) The commissioner as domiciliary receiver shall be responsible on his or her official bond for the proper administration of all assets coming into his or her possession or control. The court may at any time require an additional bond from ~~((him))~~ the commissioner or his or her deputies if deemed desirable for the protection of the assets.

(5) Upon taking possession of the assets of an insurer the domiciliary receiver shall, subject to the direction of the court, immediately proceed to conduct the business of the insurer or to take such steps as are authorized by the laws of this state for the purpose of liquidating, rehabilitating, reorganizing, or conserving the affairs of the insurer.

(6) In connection with delinquency proceedings the commissioner may appoint one or more special deputy commissioners to act for him or her, and may employ such counsel, clerks, and assistants as he or she deems necessary. The compensation of the special deputies, counsel, clerks, or assistants and all expenses of taking possession of the insurer and of conducting the proceedings shall be fixed by the receiver, subject to the approval of the court, and shall be paid out of the funds or assets of the insurer. Within the limits of the duties imposed upon them special deputies shall possess all the powers given to, and, in the exercise of those powers, shall be subject to all of the duties imposed upon the receiver with respect to such proceedings.

Sec. 7160. RCW 48.99.050 and 1947 c 79 s .31.15 are each amended to read as follows:

(1) In a delinquency proceeding in a reciprocal state against an insurer domiciled in that state, claimants against such insurer, who reside within this state may file claims either with the ancillary receiver, if any, appointed in this state, or with the domiciliary receiver. All such claims must be filed on or before the last date fixed for the filing of claims in the domiciliary delinquency proceeding.

(2) Controverted claims belonging to claimants residing in this state may either (a) be proved in the domiciliary state as provided by the law of that state, or (b), if ancillary proceedings have been commenced in this state, be proved in those proceedings. In the event that any such claimant elects to prove his or her claim in this state, he or she shall file his or her claim with the ancillary receiver in the manner provided by the law of this state for the proving of claims against insurers domiciled in this state, and he or she shall give notice in writing to the receiver in the domiciliary state, either by registered mail or by personal service at least forty days prior to the date set for hearing. The notice shall contain a concise statement of the amount of the claim, the facts on which the claim is

based, and the priorities asserted, if any. If the domiciliary receiver, within thirty days after the giving of such notice, shall give notice in writing to the ancillary receiver and to the claimant, either by registered mail or by personal service, of his or her intention to contest such claim, he or she shall be entitled to appear or to be represented in any proceeding in this state involving the adjudication of the claim. The final allowance of the claim by the courts of this state shall be accepted as conclusive as to its amount, and shall also be accepted as conclusive as to its priority, if any, against special deposits or other security located within this state.

Sec. 7161. RCW 48.99.060 and 1993 c 462 s 79 are each amended to read as follows:

(1) In a delinquency proceeding against an insurer domiciled in this state, claims owing to residents of ancillary states shall be preferred claims if like claims are preferred under the laws of this state. All such claims whether owing to residents or nonresidents shall be given equal priority of payment from general assets regardless of where such assets are located.

(2) In a delinquency proceeding against an insurer domiciled in a reciprocal state, claims owing to residents of this state shall be preferred if like claims are preferred by the laws of that state.

(3) The owners of special deposit claims against an insurer for which a receiver is appointed in this or any other state shall be given priority against their several special deposits in accordance with the provisions of the statutes governing the creation and maintenance of such deposits. If there is a deficiency in any such deposit so that the claims secured thereby are not fully discharged therefrom, the claimants may share in the general assets, but such sharing shall be deferred until general creditors, and also claimants against other special deposits who have received smaller percentages from their respective special deposits, have been paid percentages of their claims equal to the percentage paid from the special deposit.

(4) The owner of a secured claim against an insurer for which a receiver has been appointed in this or any other state may surrender his or her security and file his or her claim as a general creditor, or the claim may be discharged by resort to the security, in which case the deficiency, if any, shall be treated as a claim against the general assets of the insurer on the same basis as claims of unsecured creditors. If the amount of the deficiency has been adjudicated in ancillary proceedings as provided in this chapter, or if it has been adjudicated by a court of competent jurisdiction in proceedings in which the domiciliary receiver has had notice and opportunity to be heard, such amount shall be conclusive; otherwise the amount shall be determined in the delinquency proceeding in the domiciliary state.

PART VIII

NEW SECTION. Sec. 8001. The following acts or parts of acts are each repealed:

- (1) RCW 35.18.005 (Definition—"Councilman.") and 1981 c 213 s 1; and
- (2) RCW 35A.01.080 ("Councilman" defined) and 1981 c 213 s 2.

NEW SECTION. Sec. 8002. Part headings used in this act are not any part of the law.

Passed by the Senate April 18, 2009.

Passed by the House April 13, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 2040, 4012, 4013, 4020, 4030, 4058, 4081, 4082, 4083, 4131, 5133, 5137, 5140, 7004, 7057, Senate Bill 5038 entitled:

"AN ACT Relating to making technical corrections to gender-based terms."

I am vetoing the following sections due to conflicting amendments in other bills: 2040, 4012, 4013, 4020, 4030, 4058, 4081, 4082, 4083, 4131, 5133, 5137, 5140, 7004 and 7057.

With the exception of Sections 2040, 4012, 4013, 4020, 4030, 4058, 4081, 4082, 4083, 4131, 5133, 5137, 5140, 7004, 7057, Senate Bill 5038 is approved."

CHAPTER 550

[Engrossed Substitute Senate Bill 5321]

LOCAL SALES AND USE TAX

AN ACT Relating to extending a local sales and use tax that is credited against the state sales and use tax; and amending RCW 82.14.415 and 9.46.295.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.14.415 and 2006 c 361 s 1 are each amended to read as follows:

(1) The legislative authority of any city (~~((with a population less than four hundred thousand and which))~~) that is located in a county with a population greater than six hundred thousand that annexes an area consistent with its comprehensive plan required by chapter 36.70A RCW, may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the city. The tax may only be imposed by a city if:

(a) The city has commenced annexation of an area (~~((under chapter 35.13 or 35A.14 RCW))~~) having a population of at least ten thousand people, or four thousand in the case of a city described under subsection (3)(a)(i) of this section, prior to January 1, ~~((2010))~~ 2015; and

(b) The city legislative authority determines by resolution or ordinance that the projected cost to provide municipal services to the annexation area exceeds the projected general revenue that the city would otherwise receive from the annexation area on an annual basis.

(2) The tax authorized under this section is a credit against the state tax under chapter 82.08 or 82.12 RCW. The department of revenue shall perform the collection of such taxes on behalf of the city at no cost to the city and shall remit the tax to the city as provided in RCW 82.14.060.

(3)(a) Except as provided in (b) of this subsection, the maximum rate of tax any city may impose under this section (~~((shall be 0.2 percent for the total number of annexed areas the city may annex. The rate of the tax imposed under this section))~~) is:

(i) 0.1 percent for each annexed area in which the population ((that)) is greater than ten thousand and less than twenty thousand. ((The rate of the tax imposed under this section shall be)) The ten thousand population threshold in this subsection (3)(a)(i) is four thousand for a city with a population between one hundred fifteen thousand and one hundred forty thousand and located within a county with a population over one million five hundred thousand; and

(ii) 0.2 percent for an annexed area in which the population is greater than twenty thousand.

(b) Beginning July 1, 2011, the maximum rate of tax imposed under this section is 0.85 percent for an annexed area in which the population is greater than eighteen thousand if the annexed area was, prior to November 1, 2008, officially designated as a potential annexation area by more than one city, one of which has a population greater than four hundred thousand.

(4)(a) Except as provided in (b) of this subsection, the maximum cumulative rate of tax a city may impose under subsection (3)(a) of this section is 0.2 percent for the total number of annexed areas the city may annex.

(b) The maximum cumulative rate of tax a city may impose under subsection (3)(a) of this section is 0.3 percent, beginning July 1, 2011, if the city commenced annexation of an area, prior to January 1, 2010, that would have otherwise allowed the city to increase the rate of tax imposed under this section absent the rate limit imposed in (a) of this subsection.

(c) The maximum cumulative rate of tax a city may impose under subsection (3)(b) of this section is 0.85 percent for the single annexed area the city may annex and the amount of tax distributed to a city under subsection (3)(b) of this section shall not exceed five million dollars per fiscal year.

(5) The tax imposed by this section shall only be imposed at the beginning of a fiscal year and shall continue for no more than ten years from the date ~~that~~ each increment of the tax is first imposed. Tax rate increases due to additional annexed areas shall be effective on July 1st of the fiscal year following the fiscal year in which the annexation occurred, provided that notice is given to the department as set forth in subsection ~~((8))~~ (9) of this section.

~~((5))~~ (6) All revenue collected under this section shall be used solely to provide, maintain, and operate municipal services for the annexation area.

~~((6))~~ (7) The revenues from the tax authorized in this section may not exceed that which the city deems necessary to generate revenue equal to the difference between the city's cost to provide, maintain, and operate municipal services for the annexation area and the general revenues that the cities would otherwise expect to receive from the annexation during a year. If the revenues from the tax authorized in this section and the revenues from the annexation area exceed the costs to the city to provide, maintain, and operate municipal services for the annexation area during a given year, the city shall notify the department and the tax distributions authorized in this section shall be suspended for the remainder of the year.

~~((7))~~ (8) No tax may be imposed under this section before July 1, 2007. Before imposing a tax under this section, the legislative authority of a city shall adopt an ordinance that includes the following:

(a) A certification that the amount needed to provide municipal services to the annexed area reflects the city's true and actual costs;

(b) The rate of tax under this section that shall be imposed within the city; and

~~((b))~~ (c) The threshold amount for the first fiscal year following the annexation and passage of the ordinance.

~~((8))~~ (9) The tax shall cease to be distributed to the city for the remainder of the fiscal year once the threshold amount has been reached. No later than March 1st of each year, the city shall provide the department with a certification of the city's true and actual costs to provide municipal services to the annexed area, a new threshold amount for the next fiscal year, and notice of any applicable tax rate changes. Distributions of tax under this section shall begin again on July 1st of the next fiscal year and continue until the new threshold amount has been reached or June 30th, whichever is sooner. Any revenue generated by the tax in excess of the threshold amount shall belong to the state of Washington. Any amount resulting from the threshold amount less the total fiscal year distributions, as of June 30th, shall not be carried forward to the next fiscal year.

(10) The tax shall cease to be distributed to a city imposing the tax under subsection (3)(b) of this section for the remainder of the fiscal year, if the total distributions to the city imposing the tax exceed five million dollars for the fiscal year.

~~((9))~~ (11) The following definitions apply throughout this section unless the context clearly requires otherwise:

(a) "Annexation area" means an area that has been annexed to a city under chapter 35.13 or 35A.14 RCW. "Annexation area" includes all territory described in the city resolution.

(b) "Commenced annexation" means the initiation of annexation proceedings has taken place under the direct petition method or the election method under chapter 35.13 or 35A.14 RCW.

(c) "Department" means the department of revenue.

~~((e))~~ (d) "Municipal services" means those services customarily provided to the public by city government.

~~((d))~~ (e) "Fiscal year" means the year beginning July 1st and ending the following June 30th.

(f) "Potential annexation area" means one or more geographic areas that a city has officially designated for potential future annexation, as part of its comprehensive plan adoption process under the state growth management act, chapter 36.70A RCW.

~~((e))~~ (g) "Threshold amount" means the maximum amount of tax distributions as determined by the city in accordance with subsection ~~((6))~~ (7) of this section that the department shall distribute to the city generated from the tax imposed under this section in a fiscal year.

Sec. 2. RCW 9.46.295 and 1974 ex.s. c 155 s 6 are each amended to read as follows:

(1) Any license to engage in any of the gambling activities authorized by this chapter as now exists or as hereafter amended, and issued under the authority thereof shall be legal authority to engage in the gambling activities for which issued throughout the incorporated and unincorporated area of any county, except that a city located therein with respect to that city, or a county with respect to all areas within that county except for such cities, may absolutely

prohibit, but may not change the scope of license, any or all of the gambling activities for which the license was issued.

(2) A city or town with a prohibition on house-banked social card game licenses that annexes an area that is within a city, town, or county that permits house-banked social card games may allow a house-banked social card game business that was licensed by the commission as of the effective date of this act to continue operating if the city or town is authorized to impose a tax under RCW 82.14.415 and can demonstrate that the continuation of the house-banked social card game business will reduce the credit against the state sales and use tax as provided in RCW 82.14.415(7). A city or town that allows a house-banked social card game business in an annexed area to continue operating is not required to allow additional house-banked social card game businesses.

Passed by the Senate April 25, 2009.

Passed by the House April 23, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 551

[Second Substitute Senate Bill 5433]

LOCAL OPTION TAXES

AN ACT Relating to modifying provisions of local option taxes; amending RCW 82.14.450, 82.14.460, 84.55.050, 36.54.130, 84.52.043, and 84.52.010; adding a new section to chapter 84.52 RCW; adding a new section to chapter 82.80 RCW; adding a new section to chapter 36.57A RCW; adding a new section to chapter 35.58 RCW; adding a new section to chapter 36.57 RCW; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.14.450 and 2007 c 380 s 1 are each amended to read as follows:

(1) A county legislative authority may submit an authorizing proposition to the county voters at a primary or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. Funds raised under this tax shall not supplant existing funds used for these purposes, except as follows: Up to one hundred percent may be used to supplant existing funding in calendar year 2010; up to eighty percent may be used to supplant existing funding in calendar year 2011; up to sixty percent may be used to supplant existing funding in calendar year 2012; up to forty percent may be used to supplant existing funding in calendar year 2013; and up to twenty percent may be used to supplant existing funding in calendar year 2014. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the county or city receiving the services, and major nonrecurring capital expenditures. The rate of tax under this section ~~((shall))~~ may not exceed three-tenths of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(2) The tax authorized in this section is in addition to any other taxes authorized by law and ~~((shall))~~ must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county.

(3) The retail sale or use of motor vehicles, and the lease of motor vehicles for up to the first thirty-six months of the lease, are exempt from tax imposed under this section.

(4) One-third of all money received under this section ~~((shall))~~ must be used solely for criminal justice purposes, fire protection purposes, or both. For the purposes of this subsection, "criminal justice purposes" ~~((means additional police protection, mitigation of congested court systems, or relief of overcrowded jails or other local correctional facilities))~~ has the same meaning as provided in RCW 82.14.340.

(5) Money received under this section ~~((shall))~~ must be shared between the county and the cities as follows: Sixty percent ~~((shall))~~ must be retained by the county and forty percent ~~((shall))~~ must be distributed on a per capita basis to cities in the county.

Sec. 2. RCW 82.14.460 and 2008 c 157 s 2 are each amended to read as follows:

(1) A county legislative authority may authorize, fix, and impose a sales and use tax in accordance with the terms of this chapter.

(2) The tax authorized in this section shall be in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax shall equal one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(3) Moneys collected under this section shall be used solely for the purpose of providing for the operation or delivery of ~~((new or expanded))~~ chemical dependency or mental health treatment programs and services and for the operation or delivery of ~~((new or expanded))~~ therapeutic court programs and services. For the purposes of this section, "programs and services" includes, but is not limited to, treatment services, case management, and housing that are a component of a coordinated chemical dependency or mental health treatment program or service.

(4) All moneys collected under this section must be used solely for the purpose of providing new or expanded programs and services as provided in this section, except a portion of moneys collected under this section ~~((shall not))~~ may be used to supplant existing funding for these purposes~~((, provided that))~~ in any county as follows: Up to fifty percent may be used to supplant existing funding in calendar year 2010; up to forty percent may be used to supplant existing funding in calendar year 2011; up to thirty percent may be used to supplant existing funding in calendar year 2012; up to twenty percent may be used to supplant existing funding in calendar year 2013; and up to ten percent may be used to supplant existing funding in calendar year 2014.

(5) Nothing in this section ~~((shall))~~ may be interpreted to prohibit the use of moneys collected under this section for the replacement of lapsed federal funding previously provided for the operation or delivery of services and programs as provided in this section.

Sec. 3. RCW 84.55.050 and 2008 c 319 s 1 are each amended to read as follows:

(1) Subject to any otherwise applicable statutory dollar rate limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this chapter if such levy is authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters. Any election held pursuant to this section shall be held not more than twelve months prior to the date on which the proposed levy is to be made, except as provided in subsection (2) of this section. The ballot of the proposition shall state the dollar rate proposed and shall clearly state the conditions, if any, which are applicable under subsection (4) of this section.

(2)(a) Subject to statutory dollar limitations, a proposition placed before the voters under this section may authorize annual increases in levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum legal levy shall be used as the base upon which an increased levy limit for the succeeding year is computed, but the ballot proposition must state the dollar rate proposed only for the first year of the consecutive years and must state the limit factor, or a specified index to be used for determining a limit factor, such as the consumer price index, which need not be the same for all years, by which the regular tax levy for the district may be increased in each of the subsequent consecutive years. Elections for this purpose must be held at a primary or general election. The title of each ballot measure must state the limited purposes for which the proposed annual increases during the specified period of up to six consecutive years shall be used(~~(, and funds raised under the levy shall not supplant existing funds used for these purposes)~~).

(b)(i) Except as otherwise provided in this subsection (2)(b), funds raised by a levy under this subsection may not supplant existing funds used for the limited purpose specified in the ballot title. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.

(ii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar years 2009, 2010, and 2011, in any county with a population of one million five hundred thousand or more. This subsection (2)(b)(ii) only applies to levies approved by the voters after the effective date of this act.

(iii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar year 2009 and thereafter in any county with a population less than one million five hundred thousand. This subsection (2)(b)(iii) only applies to levies approved by the voters after the effective date of this act.

(3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot

proposition expressly states that the levy made under this section will be used for this purpose.

(4) If expressly stated, a proposition placed before the voters under subsection (1) or (2) of this section may:

(a) Use the dollar amount of a levy under subsection (1) of this section, or the dollar amount of the final levy under subsection (2) of this section, for the purpose of computing the limitations for subsequent levies provided for in this chapter;

(b) Limit the period for which the increased levy is to be made under (a) of this subsection;

(c) Limit the purpose for which the increased levy is to be made under (a) of this subsection, but if the limited purpose includes making redemption payments on bonds, the period for which the increased levies are made shall not exceed nine years;

(d) Set the levy or levies at a rate less than the maximum rate allowed for the district; or

(e) Include any combination of the conditions in this subsection.

(5) Except as otherwise expressly stated in an approved ballot measure under this section, subsequent levies shall be computed as if:

(a) The proposition under this section had not been approved; and

(b) The taxing district had made levies at the maximum rates which would otherwise have been allowed under this chapter during the years levies were made under the proposition.

Sec. 4. RCW 36.54.130 and 2007 c 223 s 6 are each amended to read as follows:

(1) To carry out the purposes for which ferry districts are created, the governing body of a ferry district may levy each year an ad valorem tax on all taxable property located in the district not to exceed seventy-five cents per thousand dollars of assessed value, except a ferry district in a county with a population of one million five hundred thousand or more may not levy at a rate that exceeds seven and one-half cents per thousand dollars of assessed value. The levy must be sufficient for the provision of ferry services as shown to be required by the budget prepared by the governing body of the ferry district.

(2) A tax imposed under this section may be used only for:

(a) Providing ferry services, including the purchase, lease, or rental of ferry vessels and dock facilities;

(b) The operation, maintenance, and improvement of ferry vessels and dock facilities;

(c) Providing shuttle services between the ferry terminal and passenger parking facilities, and other landside improvements directly related to the provision of passenger-only ferry service; and

(d) Related personnel costs.

NEW SECTION. Sec. 5. A new section is added to chapter 84.52 RCW to read as follows:

(1) A county with a population of one million five hundred thousand or more may impose an additional regular property tax levy in an amount not to exceed seven and one-half cents per thousand dollars of the assessed value of property in the county in accordance with the terms of this section.

(2) Any tax imposed under this section shall be used as follows:

(a) The first one cent for expanding transit capacity along state route number 520 by adding core and other supporting bus routes;

(b) The remainder for transit-related expenditures.

(3) The limitations in RCW 84.52.043 do not apply to the tax authorized in this section.

(4) The limitation in RCW 84.55.010 does not apply to the first tax levy imposed under this section.

Sec. 6. RCW 84.52.043 and 2005 c 122 s 3 are each amended to read as follows:

Within and subject to the limitations imposed by RCW 84.52.050 as amended, the regular ad valorem tax levies upon real and personal property by the taxing districts hereafter named shall be as follows:

(1) Levies of the senior taxing districts shall be as follows: (a) The levy by the state shall not exceed three dollars and sixty cents per thousand dollars of assessed value adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county shall not exceed one dollar and eighty cents per thousand dollars of assessed value; (c) the levy by any road district shall not exceed two dollars and twenty-five cents per thousand dollars of assessed value; and (d) the levy by any city or town shall not exceed three dollars and thirty-seven and one-half cents per thousand dollars of assessed value. However any county is hereby authorized to increase its levy from one dollar and eighty cents to a rate not to exceed two dollars and forty-seven and one-half cents per thousand dollars of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

(2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, shall not exceed five dollars and ninety cents per thousand dollars of assessed valuation. The term "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection shall not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable housing for very low-income housing imposed under RCW 84.52.105; (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; ~~((and))~~ (i) the portions of levies by fire protection districts that are protected under RCW 84.52.125; and (j) levies by counties for transit-related purposes under section 5 of this act.

Sec. 7. RCW 84.52.010 and 2007 c 54 s 26 are each amended to read as follows:

Except as is permitted under RCW 84.55.050, all taxes shall be levied or voted in specific amounts.

The rate percent of all taxes for state and county purposes, and purposes of taxing districts coextensive with the county, shall be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the county, as shown by the completed tax rolls of the county, and the rate percent of all taxes levied for purposes of taxing districts within any county shall be determined, calculated and fixed by the county assessors of the respective counties, within the limitations provided by law, upon the assessed valuation of the property of the taxing districts respectively.

When a county assessor finds that the aggregate rate of tax levy on any property, that is subject to the limitations set forth in RCW 84.52.043 or 84.52.050, exceeds the limitations provided in either of these sections, the assessor shall recompute and establish a consolidated levy in the following manner:

(1) The full certified rates of tax levy for state, county, county road district, and city or town purposes shall be extended on the tax rolls in amounts not exceeding the limitations established by law; however any state levy shall take precedence over all other levies and shall not be reduced for any purpose other than that required by RCW 84.55.010. If, as a result of the levies imposed under RCW 36.54.130, 84.34.230, 84.52.069, 84.52.105, the portion of the levy by a metropolitan park district that was protected under RCW 84.52.120, 84.52.125, ~~((and))~~ 84.52.135, and section 5 of this act, the combined rate of regular property tax levies that are subject to the one percent limitation exceeds one percent of the true and fair value of any property, then these levies shall be reduced as follows:

(a) The levy imposed by a county under section 5 of this act shall be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or shall be eliminated;

(b) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the portion of the levy by a fire protection district that is protected under RCW 84.52.125 shall be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or shall be eliminated;

~~((b))~~ (c) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a county under RCW 84.52.135 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

~~((c))~~ (d) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, the levy imposed by a ferry district under RCW 36.54.130 must be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or must be eliminated;

~~((d))~~ (e) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of

any property, the portion of the levy by a metropolitan park district that is protected under RCW 84.52.120 shall be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or shall be eliminated;

~~((f))~~ (f) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the levies imposed under RCW 84.34.230, 84.52.105, and any portion of the levy imposed under RCW 84.52.069 that is in excess of thirty cents per thousand dollars of assessed value, shall be reduced on a pro rata basis until the combined rate no longer exceeds one percent of the true and fair value of any property or shall be eliminated; and

~~((g))~~ (g) If the combined rate of regular property tax levies that are subject to the one percent limitation still exceeds one percent of the true and fair value of any property, then the thirty cents per thousand dollars of assessed value of tax levy imposed under RCW 84.52.069 shall be reduced until the combined rate no longer exceeds one percent of the true and fair value of any property or eliminated.

(2) The certified rates of tax levy subject to these limitations by all junior taxing districts imposing taxes on such property shall be reduced or eliminated as follows to bring the consolidated levy of taxes on such property within the provisions of these limitations:

(a) First, the certified property tax levy rates of those junior taxing districts authorized under RCW 36.68.525, 36.69.145, 35.95A.100, and 67.38.130 shall be reduced on a pro rata basis or eliminated;

(b) Second, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of flood control zone districts shall be reduced on a pro rata basis or eliminated;

(c) Third, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates of all other junior taxing districts, other than fire protection districts, regional fire protection service authorities, library districts, the first fifty cent per thousand dollars of assessed valuation levies for metropolitan park districts, and the first fifty cent per thousand dollars of assessed valuation levies for public hospital districts, shall be reduced on a pro rata basis or eliminated;

(d) Fourth, if the consolidated tax levy rate still exceeds these limitations, the first fifty cent per thousand dollars of assessed valuation levies for metropolitan park districts created on or after January 1, 2002, shall be reduced on a pro rata basis or eliminated;

(e) Fifth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized to fire protection districts under RCW 52.16.140 and 52.16.160 and regional fire protection service authorities under RCW 52.26.140(1) (b) and (c) shall be reduced on a pro rata basis or eliminated; and

(f) Sixth, if the consolidated tax levy rate still exceeds these limitations, the certified property tax levy rates authorized for fire protection districts under RCW 52.16.130, regional fire protection service authorities under RCW 52.26.140(1)(a), library districts, metropolitan park districts created before January 1, 2002, under their first fifty cent per thousand dollars of assessed valuation levy, and public hospital districts under their first fifty cent per

thousand dollars of assessed valuation levy, shall be reduced on a pro rata basis or eliminated.

***NEW SECTION.** *Sec. 8. A new section is added to chapter 82.80 RCW to read as follows:*

(1) *Subject to voter approval, a public transportation entity may fix and impose an annual congestion reduction tax, not to exceed twenty dollars per vehicle registered within the boundaries of the public transportation entity, for each vehicle subject to license tab fees under RCW 46.16.0621 and for each vehicle subject to gross weight fees under RCW 46.16.070 with an unladen weight of six thousand pounds or less. For purposes of this section, a "public transportation entity" includes public transportation benefit areas under chapter 36.57A RCW, metropolitan municipal corporations providing public transportation services under chapter 36.56 or 35.58 RCW, city-owned transit systems under chapter 35.58 RCW, county public transportation authorities under chapter 36.57 RCW, and unincorporated transportation benefit areas under chapter 36.57 RCW.*

(2) *The department of licensing must administer and collect the tax for the relevant public transportation entity identified in subsection (1) of this section. The department of licensing must deduct a percentage amount, as provided by contract, not to exceed one percent of the taxes collected, for administration and collection expenses incurred by it. The department of licensing must remit remaining proceeds to the custody of the state treasurer. The state treasurer must distribute the proceeds to the public transportation entity on a monthly basis.*

(3) *No tax under this section may be collected until six months after it has been approved by a majority of the voters within the public transportation entity's boundaries.*

(4) *The congestion reduction tax under this section applies only when renewing a vehicle registration, and is effective upon the registration renewal date as provided by the department of licensing.*

(5) *The following vehicles are exempt from the tax under this section:*

(a) *Farm tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181;*

(b) *Off-road and nonhighway vehicles as defined in RCW 46.09.020;*

(c) *Vehicles registered under chapter 46.87 RCW and the international registration plan; and*

(d) *Snowmobiles as defined in RCW 46.10.010.*

**Sec. 8 was vetoed. See message at end of chapter.*

***NEW SECTION.** *Sec. 9. A new section is added to chapter 36.57A RCW to read as follows:*

In addition to other general and specific powers granted to a public transportation benefit area authority, the legislative authority of a public transportation benefit area may submit an authorizing proposition to the voters and if approved may impose an annual congestion reduction tax in accordance with section 8 of this act. The proposition must include a specific description of the public transportation services or improvements that will be funded by the congestion reduction tax. A public transportation benefit area authority must provide a credit against the tax imposed under this section for

any tax imposed by a city or metropolitan municipal corporation under section 10 of this act.

*Sec. 9 was vetoed. See message at end of chapter.

***NEW SECTION.** *Sec. 10. A new section is added to chapter 35.58 RCW to read as follows:*

In addition to other general and specific powers granted to metropolitan municipal corporations and city-owned transit systems, the legislative authorities of metropolitan municipal corporations and city-owned transit systems may submit an authorizing proposition to the voters within their respective boundaries and if approved may impose an annual congestion reduction tax in accordance with section 8 of this act. The proposition must include a specific description of the public transportation services or improvements that will be funded by the congestion reduction tax.

*Sec. 10 was vetoed. See message at end of chapter.

***NEW SECTION.** *Sec. 11. A new section is added to chapter 36.57 RCW to read as follows:*

In addition to other general and specific powers granted to county public transportation authorities and unincorporated transportation benefit areas, the legislative authorities of a county public transportation authority and an unincorporated transportation benefit area may submit an authorizing proposition to the voters within their respective boundaries and if approved may impose an annual congestion reduction tax in accordance with section 8 of this act. The proposition must include a specific description of the public transportation services or improvements that will be funded by the congestion reduction tax.

*Sec. 11 was vetoed. See message at end of chapter.

NEW SECTION. *Sec. 12. Sections 1 and 2 of this act expire January 1, 2015.*

Passed by the Senate April 26, 2009.

Passed by the House April 26, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 8, 9, 10 and 11, Second Substitute Senate Bill 5433 entitled:

"AN ACT Relating to modifying provisions of local option taxes."

This bill allows local governments flexibility to better use current revenues sources and additional options for transportation funding. Sections 8 through 11 would have given transit agencies the option of asking voters for up to \$20 per vehicle per year to expand local transit capacity and fund transit-related expenses. Local entities currently have authority under a transportation benefit district to impose a vehicle fee that can be used for transportation operating, maintenance and capital investments. In addition, the 2009-11 transportation budget appropriates funds to the Joint Transportation Committee to conduct a study of alternative revenue sources of transportation funding; so dedicating a specific revenue source now is premature and impacts future decision-making flexibility.

For these reasons, I have vetoed Sections 8, 9, 10 and 11 of Second Substitute Senate Bill 5433.

With the exception of Sections 8, 9, 10 and 11, Second Substitute Senate Bill 5433 is approved."

CHAPTER 552

[Substitute Senate Bill 5436]

DIRECT PATIENT-PROVIDER PRIMARY CARE PRACTICES

AN ACT Relating to payment arrangements involving direct practices; and amending RCW 48.150.010, 48.150.040, 48.150.050, 48.41.030, and 48.150.110.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 48.150.010 and 2007 c 267 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Direct patient-provider primary care practice" and "direct practice" means a provider, group, or entity that meets the following criteria in (a), (b), (c), and (d) of this subsection:

(a)(i) A health care provider who furnishes primary care services through a direct agreement;

(ii) A group of health care providers who furnish primary care services through a direct agreement; or

(iii) An entity that sponsors, employs, or is otherwise affiliated with a group of health care providers who furnish only primary care services through a direct agreement, which entity is wholly owned by the group of health care providers or is a nonprofit corporation exempt from taxation under section 501(c)(3) of the internal revenue code, and is not otherwise regulated as a health care service contractor, health maintenance organization, or disability insurer under Title 48 RCW. Such entity is not prohibited from sponsoring, employing, or being otherwise affiliated with other types of health care providers not engaged in a direct practice;

(b) Enters into direct agreements with direct patients or parents or legal guardians of direct patients;

(c) Does not accept payment for health care services provided to direct patients from any entity subject to regulation under Title 48 RCW((;)) or plans administered under chapter 41.05, 70.47, or 70.47A RCW((; or self-insured plans)); and

(d) Does not provide, in consideration for the direct fee, services, procedures, or supplies such as prescription drugs, hospitalization costs, major surgery, dialysis, high level radiology (CT, MRI, PET scans or invasive radiology), rehabilitation services, procedures requiring general anesthesia, or similar advanced procedures, services, or supplies.

(2) "Direct patient" means a person who is party to a direct agreement and is entitled to receive primary care services under the direct agreement from the direct practice.

(3) "Direct fee" means a fee charged by a direct practice as consideration for being available to provide and providing primary care services as specified in a direct agreement.

(4) "Direct agreement" means a written agreement entered into between a direct practice and an individual direct patient, or the parent or legal guardian of the direct patient or a family of direct patients, whereby the direct practice charges a direct fee as consideration for being available to provide and providing primary care services to the individual direct patient. A direct agreement must (a) describe the specific health care services the direct practice will provide; and (b) be terminable at will upon written notice by the direct patient.

(5) "Health care provider" or "provider" means a person regulated under Title 18 RCW or chapter 70.127 RCW to practice health or health-related services or otherwise practicing health care services in this state consistent with state law.

(6) "Health carrier" or "carrier" has the same meaning as in RCW 48.43.005.

(7) "Primary care" means routine health care services, including screening, assessment, diagnosis, and treatment for the purpose of promotion of health, and detection and management of disease or injury.

(8) "Network" means the group of participating providers and facilities providing health care services to a particular health carrier's health plan or to plans administered under chapter 41.05, 70.47, or 70.47A RCW.

Sec. 2. RCW 48.150.040 and 2007 c 267 s 6 are each amended to read as follows:

(1) Direct practices may not:

(a) Enter into a participating provider contract as defined in RCW 48.44.010 or 48.46.020 with any carrier or with any carrier's contractor or subcontractor, or plans administered under chapter 41.05, 70.47, or 70.47A RCW, to provide health care services through a direct agreement except as set forth in subsection (2) of this section;

(b) Submit a claim for payment to any carrier or any carrier's contractor or subcontractor, or plans administered under chapter 41.05, 70.47, or 70.47A RCW, for health care services provided to direct patients as covered by their agreement;

(c) With respect to services provided through a direct agreement, be identified by a carrier or any carrier's contractor or subcontractor, or plans administered under chapter 41.05, 70.47, or 70.47A RCW, as a participant in the carrier's or any carrier's contractor or subcontractor network for purposes of determining network adequacy or being available for selection by an enrollee under a carrier's benefit plan; or

(d) Pay for health care services covered by a direct agreement rendered to direct patients by providers other than the providers in the direct practice or their employees, except as described in subsection (2)(b) of this section.

(2) Direct practices and providers may:

(a) Enter into a participating provider contract as defined by RCW 48.44.010 and 48.46.020 or plans administered under chapter 41.05, 70.47, or 70.47A RCW for purposes other than payment of claims for services provided to direct patients through a direct agreement. Such providers shall be subject to all other provisions of the participating provider contract applicable to participating providers including but not limited to the right to:

(i) Make referrals to other participating providers;

(ii) Admit the carrier's members to participating hospitals and other health care facilities;

(iii) Prescribe prescription drugs; and

(iv) Implement other customary provisions of the contract not dealing with reimbursement of services;

(b) Pay for charges associated with the provision of routine lab and imaging services (~~((provided in connection with wellness physical examinations))~~). In aggregate such payments per year per direct patient are not to exceed fifteen percent of the total annual direct fee charged that direct patient. Exceptions to this limitation may occur in the event of short-term equipment failure if such failure prevents the provision of care that should not be delayed; and

(c) Charge an additional fee to direct patients for supplies, medications, and specific vaccines provided to direct patients that are specifically excluded under the agreement, provided the direct practice notifies the direct patient of the additional charge, prior to their administration or delivery.

Sec. 3. RCW 48.150.050 and 2007 c 267 s 7 are each amended to read as follows:

(1) Direct practices may not decline to accept new direct patients or discontinue care to existing patients solely because of the patient's health status. A direct practice may decline to accept a patient if the practice has reached its maximum capacity, or if the patient's medical condition is such that the provider is unable to provide the appropriate level and type of health care services in the direct practice. So long as the direct practice provides the patient notice and opportunity to obtain care from another physician, the direct practice may discontinue care for direct patients if: (a) The patient fails to pay the direct fee under the terms required by the direct agreement; (b) the patient has performed an act that constitutes fraud; (c) the patient repeatedly fails to comply with the recommended treatment plan; (d) the patient is abusive and presents an emotional or physical danger to the staff or other patients of the direct practice; or (e) the direct practice discontinues operation as a direct practice.

(2) Subject to the restrictions established in this chapter, direct practices may accept payment of direct fees directly or indirectly from ~~((nonemployer))~~ third parties. A direct practice may accept a direct fee paid by an employer on behalf of an employee who is a direct patient. However, a direct practice shall not enter into a contract with an employer relating to direct practice agreements between the direct practice and employees of that employer, other than to establish the timing and method of the payment of the direct fee by the employer.

***Sec. 4.** RCW 48.41.030 and 2004 c 260 s 25 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Accounting year" means a twelve-month period determined by the board for purposes of record-keeping and accounting. The first accounting year may be more or less than twelve months and, from time to time in subsequent years, the board may order an accounting year of other than twelve months as may be required for orderly management and accounting of the pool.

(2) "Administrator" means the entity chosen by the board to administer the pool under RCW 48.41.080.

(3) "Board" means the board of directors of the pool.

(4) "Commissioner" means the insurance commissioner.

(5) "Covered person" means any individual resident of this state who is eligible to receive benefits from any member, or other health plan.

(6) "Health care facility" has the same meaning as in RCW 70.38.025.

(7) "Health care provider" means any physician, facility, or health care professional, who is licensed in Washington state and entitled to reimbursement for health care services.

(8) "Health care services" means services for the purpose of preventing, alleviating, curing, or healing human illness or injury.

(9) "Health carrier" or "carrier" has the same meaning as in RCW 48.43.005.

(10) "Health coverage" means any group or individual disability insurance policy, health care service contract, and health maintenance agreement, except those contracts entered into for the provision of health care services pursuant to Title XVIII of the Social Security Act, 42 U.S.C. Sec. 1395 et seq. The term does not include short-term care, long-term care, dental, vision, accident, fixed indemnity, disability income contracts, limited benefit or credit insurance, coverage issued as a supplement to liability insurance, insurance arising out of the worker's compensation or similar law, automobile medical payment insurance, or insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(11) "Health plan" means any arrangement by which persons, including dependents or spouses, covered or making application to be covered under this pool, have access to hospital and medical benefits or reimbursement including any group or individual disability insurance policy; health care service contract; health maintenance agreement; uninsured arrangements of group or group-type contracts including employer self-insured, cost-plus, or other benefit methodologies not involving insurance or not governed by Title 48 RCW; coverage under group-type contracts which are not available to the general public and can be obtained only because of connection with a particular organization or group; and coverage by medicare or other governmental benefits. This term includes coverage through "health coverage" as defined under this section, and specifically excludes those types of programs excluded under the definition of "health coverage" in subsection (10) of this section.

(12) "Medical assistance" means coverage under Title XIX of the federal Social Security Act (42 U.S.C., Sec. 1396 et seq.) and chapter 74.09 RCW.

(13) "Medicare" means coverage under Title XVIII of the Social Security Act, (42 U.S.C. Sec. 1395 et seq., as amended).

(14) "Member" means any commercial insurer which provides disability insurance or stop loss insurance, any health care service contractor, any health maintenance organization licensed under Title 48 RCW, and any self-funded multiple employer welfare arrangement as defined in RCW 48.125.010. "Member" also means the Washington state health care authority as issuer of the state uniform medical plan. "Member" shall also mean, as

soon as authorized by federal law, employers and other entities, including a self-funding entity and employee welfare benefit plans that provide health plan benefits in this state on or after May 18, 1987. "Member" also means a direct practice as defined in RCW 48.150.010. "Member" does not include any insurer, health care service contractor, or health maintenance organization whose products are exclusively dental products or those products excluded from the definition of "health coverage" set forth in subsection (10) of this section.

(15) "Network provider" means a health care provider who has contracted in writing with the pool administrator or a health carrier contracting with the pool administrator to offer pool coverage to accept payment from and to look solely to the pool or health carrier according to the terms of the pool health plans.

(16) "Plan of operation" means the pool, including articles, by-laws, and operating rules, adopted by the board pursuant to RCW 48.41.050.

(17) "Point of service plan" means a benefit plan offered by the pool under which a covered person may elect to receive covered services from network providers, or nonnetwork providers at a reduced rate of benefits.

(18) "Pool" means the Washington state health insurance pool as created in RCW 48.41.040.

*Sec. 4 was vetoed. See message at end of chapter.

*Sec. 5. RCW 48.150.110 and 2007 c 267 s 13 are each amended to read as follows:

(1) A direct agreement must include the following disclaimer: "This agreement does not provide comprehensive health insurance coverage. It provides only the health care services specifically described." The direct agreement may not be sold to a group and may not be entered with a group of subscribers. It must be an agreement between a direct practice and an individual direct patient. Nothing prohibits the presentation of marketing materials to groups of potential subscribers or their representatives. All marketing materials must be filed for approval with the commissioner prior to use. All advertising and marketing materials must be filed with the commissioner at least thirty days prior to use.

(2) A comprehensive disclosure statement shall be distributed to all direct patients with their participation forms. Such disclosure must inform the direct patients of their financial rights and responsibilities to the direct practice as provided for in this chapter, encourage that direct patients obtain and maintain insurance for services not provided by the direct practice, and state that the direct practice will not bill a carrier for services covered under the direct agreement. The disclosure statement shall include contact information for the office of the insurance commissioner.

*Sec. 5 was vetoed. See message at end of chapter.

Passed by the Senate April 25, 2009.

Passed by the House April 24, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 4 and 5, Substitute Senate Bill 5436 entitled:

"AN ACT Relating to payment arrangements involving direct practices."

Section 4 would subject direct patient-provider primary care practices to the assessments used to fund the Washington State Health Insurance Pool. I am concerned that this requirement would increase the cost of such practices at the very time businesses and individuals are badly in need of more affordable health care options.

Section 5 would require a direct practice to submit its advertising and marketing materials to the Insurance Commissioner for approval at least thirty days prior to use. The bill fails to indicate, however, the criteria against which these materials would be reviewed. This section also duplicates protections existing in current law, imposing needless administrative expenses on both these practices and the Commissioner's Office.

For these reasons, I have vetoed Sections 4 and 5 of Substitute Senate Bill 5436.

With the exception of Sections 4 and 5, Substitute Senate Bill 5436 is approved."

CHAPTER 553

[Substitute Senate Bill 5539]

COUNTY INVESTMENTS—EXPENSES

AN ACT Relating to the investment expenses of counties; and amending RCW 36.29.024.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 36.29.024 and 2004 c 79 s 3 are each amended to read as follows:

The county treasurer may deduct the amounts necessary to reimburse the treasurer's office for the actual expenses the office incurs and to repay any county funds appropriated and expended for the initial administrative costs of establishing a county investment pool provided in RCW 36.29.022. These funds shall be used by the county treasurer as a revolving fund to defray the cost of administering the pool without regard to budget limitations. Any credits or payments to political subdivisions shall be calculated and made in a manner which equitably reflects the differing amounts of the political subdivision's respective deposits in the county investment pool and the differing periods of time for which the amounts were placed in the county investment pool. A county investment pool must be available for investment of funds of any local government that invests its money with the county under the provisions of RCW 36.29.020, and a county treasurer shall follow the request from the local government to invest its funds in the pool. As used in this section "actual expenses" include only the county treasurer's direct and out-of-pocket costs and do not include indirect or loss of opportunity costs. As used in this section, "direct costs" means those costs that can be identified specifically with the administration of the county investment pool. Direct costs include: (1) Compensation of employees for the time devoted and identified specifically to administering the pool; and (2) the cost of materials, services, or equipment acquired, consumed, or expended specifically for the purpose of administering the pool.

Passed by the Senate April 20, 2009.

Passed by the House April 9, 2009.

Approved by the Governor May 19, 2009.
Filed in Office of Secretary of State May 20, 2009.

CHAPTER 554

[Senate Bill 5554]

JOB SKILLS PROGRAM

AN ACT Relating to the job skills program; and amending RCW 28C.04.410 and 28C.04.420.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28C.04.410 and 1999 c 121 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 28C.04.390 and 28C.04.420.

(1) "Applicant" means an educational institution which has made application for a job skills grant under RCW 28C.04.390 and 28C.04.420.

(2) "Business and industry" means a private corporation, institution, firm, person, group, or association concerned with commerce, trades, manufacturing, or the provision of services within the state, or a public or nonprofit hospital licensed by the department of social and health services.

(3) "Dislocated worker" means an individual who meets the definition of dislocated worker contained in P.L. 105-220, Sec. 101 on July 25, 1999.

(4) "Educational institution" means a public secondary or postsecondary institution, an independent institution, or a private career school or college within the state authorized by law to provide a program of skills training or education beyond the secondary school level. Any educational institution receiving a job skills grant under RCW 28C.04.420 (~~through 28C.04.480~~) shall be free of sectarian control or influence as set forth in Article IX, section 4 of the state Constitution.

(5) "Equipment" means tangible personal property which will further the objectives of the supported program and for which a definite value and evidence in support of the value have been provided by the donor.

(6) "Financial support" means any thing of value which is contributed by business, industry, and others to an educational institution which is reasonably calculated to support directly the development and expansion of a particular program under RCW 28C.04.390 and 28C.04.420 and represents an addition to any financial support previously or customarily provided to such educational institutions by the donor. "Financial support" includes, but is not limited to, funds, equipment, facilities, faculty, and scholarships for matriculating students and trainees.

(7) "Job skills grant" means funding that is provided to an educational institution by the (~~commission~~) college board for the development or significant expansion of a program under RCW 28C.04.390 and 28C.04.420.

(8) "Job skills program" means a program of skills training or education separate from and in addition to existing vocational education programs and which:

(a) Provides short-term training which has been designated for specific industries;

(b) Provides training for prospective employees before a new plant opens or when existing industry expands;

(c) Includes training and retraining for workers already employed by an existing industry or business where necessary to avoid dislocation or where upgrading of existing employees would create new vacancies for unemployed persons;

(d) Serves areas with high concentrations of economically disadvantaged persons and high unemployment;

(e) ~~((Serves areas with new and growing industries))~~ Promotes the growth of industry clusters;

(f) Serves areas where there is a shortage of skilled labor to meet job demands; or

(g) Promotes the location of new industry in areas affected by economic dislocation.

(9) "Technical assistance" means professional and any other assistance provided by business and industry to an educational institution, which is reasonably calculated to support directly the development and expansion of a particular program and which represents an addition to any technical assistance previously or customarily provided to the educational institutions by the donor.

(10) "College board" means the state board for community and technical colleges under chapter 28B.50 RCW.

Sec. 2. RCW 28C.04.420 and 1999 c 121 s 3 are each amended to read as follows:

The college board may, subject to appropriation from the legislature or from funds made available from any other public or private source and pursuant to rules adopted by the college board with the advice of the workforce training customer advisory committee established in RCW 28C.04.390, provide job skills grants to educational institutions. The job skills grants shall be used exclusively for programs which are consistent with the job skills program. The college board shall work in collaboration with the workforce training customer advisory committee established in RCW 28C.04.390 to assure that:

(1) The program is within the scope of the job skills program under this chapter and may reasonably be expected to succeed and thereby increase employment within the state;

(2) Provision has been made to use any available alternative funding from local, state, and federal sources;

(3) The job skills grant will only be used to cover the costs associated with the program;

(4) The program will not unnecessarily duplicate existing programs and could not be provided by another educational institution more effectively or efficiently;

(5) The program involves an area of skills training and education for which there is a demonstrable need;

(6) The applicant has made provisions for the use of existing federal and state resources for student financial assistance;

(7) The job skills grant is essential to the success of the program as the resources of the applicant are inadequate to attract the technical assistance and financial support necessary for the program from business and industry;

(8) The program represents a collaborative partnership between business, industry, labor, educational institutions, and other partners, as appropriate;

(9) The commitment of financial support from business and industry shall be equal to or greater than the amount of the requested job skills grant;

(10) The job skills program gives priority to applications:

(a) Proposing training that leads to transferable skills that are interchangeable among different jobs, employers, or workplaces;

(b) From firms in strategic industry clusters as identified by the state or local areas;

(c) Proposing coordination with other cluster-based programs or initiatives including, but not limited to, industry skill panels, centers of excellence, innovation partnership zones, state-supported cluster growth grants, and local cluster-based economic development initiatives;

(d) Proposing industry-based credentialing; and

(e) Proposing increased capacity for educational institutions that can be made available to industry and students beyond the grant recipients;

((11)) Binding commitments have been made to the ((commission)) college board by the applicant for adequate reporting of information and data regarding the program to the ((commission)) college board, particularly information concerning the recruitment and employment of trainees and students, and including a requirement for an annual or other periodic audit of the books of the applicant directly related to the program, and for such control on the part of the ((commission)) college board as it considers prudent over the management of the program, so as to protect the use of public funds, including, in the discretion of the commission and without limitation, right of access to financial and other records of the applicant directly related to the programs; and

((12)) A provision has been made by the applicant to work, in cooperation with the employment security department, to identify and screen potential trainees, and that provision has been made by the applicant for the participation as trainees of low-income persons including temporary assistance for needy families recipients, dislocated workers, and persons from minority and economically disadvantaged groups to participate in the program.

Beginning October 1, 1999, and every two years thereafter, the college board shall provide the legislature and the governor with a report describing the activities and outcomes of the state job skills program.

Passed by the Senate April 25, 2009.

Passed by the House April 24, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 555

[Substitute Senate Bill 5777]

STATE HEALTH INSURANCE POOL

AN ACT Relating to the Washington state health insurance pool; amending RCW 48.41.060, 48.41.100, and 48.41.100; adding a new section to chapter 48.66 RCW; creating a new section; and providing contingent effective dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 48.66 RCW to read as follows:

Any medicare eligible person who is rejected for medical reasons, is required to accept restrictive riders, an up-rated premium, or preexisting conditions limitations, the effect of which is to substantially reduce coverage from that received by a person considered a standard risk by at least one member as defined in RCW 48.41.030(14) shall be provided written notice from the issuer of medicare supplement coverage to whom application was made of the decision not to accept the person's application for enrollment, or to require such restrictions. The notice shall further state that the person is eligible for medicare part C coverage offered in the person's geographic area or coverage provided by the Washington state health insurance pool for Washington residents, and shall include information about medicare part C plans offered in the person's geographic area, about the Washington state health insurance pool, and about available resources to assist the person in choosing appropriate coverage.

Sec. 2. RCW 48.41.060 and 2008 c 217 s 47 are each amended to read as follows:

(1) The board shall have the general powers and authority granted under the laws of this state to insurance companies, health care service contractors, and health maintenance organizations, licensed or registered to offer or provide the kinds of health coverage defined under this title. In addition thereto, the board shall:

(a) Designate or establish the standard health questionnaire to be used under RCW 48.41.100 and 48.43.018, including the form and content of the standard health questionnaire and the method of its application. The questionnaire must provide for an objective evaluation of an individual's health status by assigning a discreet measure, such as a system of point scoring to each individual. The questionnaire must not contain any questions related to pregnancy, and pregnancy shall not be a basis for coverage by the pool. The questionnaire shall be designed such that it is reasonably expected to identify the eight percent of persons who are the most costly to treat who are under individual coverage in health benefit plans, as defined in RCW 48.43.005, in Washington state or are covered by the pool, if applied to all such persons;

(b) Obtain from a member of the American academy of actuaries, who is independent of the board, a certification that the standard health questionnaire meets the requirements of (a) of this subsection;

(c) Approve the standard health questionnaire and any modifications needed to comply with this chapter. The standard health questionnaire shall be submitted to an actuary for certification, modified as necessary, and approved at least every ~~((eighteen))~~ thirty-six months. The designation and approval of the standard health questionnaire by the board shall not be subject to review and approval by the commissioner. The standard health questionnaire or any modification thereto shall not be used until ninety days after public notice of the approval of the questionnaire or any modification thereto, except that the initial standard health questionnaire approved for use by the board after March 23, 2000, may be used immediately following public notice of such approval;

(d) Establish appropriate rates, rate schedules, rate adjustments, expense allowances, claim reserve formulas and any other actuarial functions appropriate to the operation of the pool. Rates shall not be unreasonable in relation to the

coverage provided, the risk experience, and expenses of providing the coverage. Rates and rate schedules may be adjusted for appropriate risk factors such as age and area variation in claim costs and shall take into consideration appropriate risk factors in accordance with established actuarial underwriting practices consistent with Washington state individual plan rating requirements under RCW 48.44.022 and 48.46.064;

(e)(i) Assess members of the pool in accordance with the provisions of this chapter, and make advance interim assessments as may be reasonable and necessary for the organizational or interim operating expenses. Any interim assessments will be credited as offsets against any regular assessments due following the close of the year.

(ii) Self-funded multiple employer welfare arrangements are subject to assessment under this subsection only in the event that assessments are not preempted by the employee retirement income security act of 1974, as amended, 29 U.S.C. Sec. 1001 et seq. The arrangements and the commissioner shall initially request an advisory opinion from the United States department of labor or obtain a declaratory ruling from a federal court on the legality of imposing assessments on these arrangements before imposing the assessment. Once the legality of the assessments has been determined, the multiple employer welfare arrangement certified by the insurance commissioner must begin payment of these assessments.

(iii) If there has not been a final determination of the legality of these assessments, then beginning on the earlier of (A) the date the fourth multiple employer welfare arrangement has been certified by the insurance commissioner, or (B) April 1, 2006, the arrangement shall deposit the assessments imposed by this subsection into an interest bearing escrow account maintained by the arrangement. Upon a final determination that the assessments are not preempted by the employee retirement income security act of 1974, as amended, 29 U.S.C. Sec. 1001 et seq., all funds in the interest bearing escrow account shall be transferred to the board;

(f) Issue policies of health coverage in accordance with the requirements of this chapter;

(g) Establish procedures for the administration of the premium discount provided under RCW 48.41.200(3)(a)(iii);

(h) Contract with the Washington state health care authority for the administration of the premium discounts provided under RCW 48.41.200(3)(a)(i) and (ii);

(i) Set a reasonable fee to be paid to an insurance producer licensed in Washington state for submitting an acceptable application for enrollment in the pool; and

(j) Provide certification to the commissioner when assessments will exceed the threshold level established in RCW 48.41.037.

(2) In addition thereto, the board may:

(a) Enter into contracts as are necessary or proper to carry out the provisions and purposes of this chapter including the authority, with the approval of the commissioner, to enter into contracts with similar pools of other states for the joint performance of common administrative functions, or with persons or other organizations for the performance of administrative functions;

(b) Sue or be sued, including taking any legal action as necessary to avoid the payment of improper claims against the pool or the coverage provided by or through the pool;

(c) Appoint appropriate legal, actuarial, and other committees as necessary to provide technical assistance in the operation of the pool, policy, and other contract design, and any other function within the authority of the pool; and

(d) Conduct periodic audits to assure the general accuracy of the financial data submitted to the pool, and the board shall cause the pool to have an annual audit of its operations by an independent certified public accountant.

(3) Nothing in this section shall be construed to require or authorize the adoption of rules under chapter 34.05 RCW.

Sec. 3. RCW 48.41.100 and 2007 c 259 s 30 are each amended to read as follows:

(1)(a) The following persons who are residents of this state are eligible for pool coverage:

((~~(a)~~)) (i) Any person who provides evidence of a carrier's decision not to accept him or her for enrollment in an individual health benefit plan as defined in RCW 48.43.005 based upon, and within ninety days of the receipt of, the results of the standard health questionnaire designated by the board and administered by health carriers under RCW 48.43.018;

((~~(b)~~)) (ii) Any person who continues to be eligible for pool coverage based upon the results of the standard health questionnaire designated by the board and administered by the pool administrator pursuant to subsection (3) of this section;

((~~(c)~~)) (iii) Any person who resides in a county of the state where no carrier or insurer eligible under chapter 48.15 RCW offers to the public an individual health benefit plan other than a catastrophic health plan as defined in RCW 48.43.005 at the time of application to the pool, and who makes direct application to the pool; (~~and~~

(~~(d)~~)) (iv) Any (~~medicare-eligible~~) person (~~(upon providing)~~) becoming eligible for medicare before August 1, 2009, who provides evidence of (A) a rejection for medical reasons, (B) a requirement of restrictive riders, (C) an up-rated premium, (~~(or)~~ (D) a preexisting conditions limitation (~~(on a)~~), or (E) lack of access to or for a comprehensive medicare supplemental insurance policy under chapter 48.66 RCW, the effect of any of which is to substantially reduce coverage from that received by a person considered a standard risk by at least one member within six months of the date of application; and

(v) Any person becoming eligible for medicare on or after August 1, 2009, who does not have access to a reasonable choice of comprehensive medicare part C plans, as defined in (b) of this subsection, and who provides evidence of (A) a rejection for medical reasons, (B) a requirement of restrictive riders, (C) an up-rated premium, (D) a preexisting conditions limitation, or (E) lack of access to or for a comprehensive medicare supplemental insurance policy under chapter 48.66 RCW, the effect of any of which is to substantially reduce coverage from that received by a person considered a standard risk by at least one member within six months of the date of application.

(b) For purposes of (a)(v) of this subsection (1), a person does not have access to a reasonable choice of plans unless the person has a choice of health maintenance organization or preferred provider organization medicare part C plans offered by at least three different carriers that have had provider networks

in the person's county of residence for at least five years. The plan options must include coverage at least as comprehensive as a plan F medicare supplement plan combined with medicare parts A and B. The plan options must also provide access to adequate and stable provider networks that make up-to-date provider directories easily accessible on the carrier web site, and will provide them in hard copy, if requested. In addition, if no health maintenance organization or preferred provider organization plan includes the health care provider with whom the person has an established care relationship and from whom he or she has received treatment within the past twelve months, the person does not have reasonable access.

(2) The following persons are not eligible for coverage by the pool:

(a) Any person having terminated coverage in the pool unless (i) twelve months have lapsed since termination, or (ii) that person can show continuous other coverage which has been involuntarily terminated for any reason other than nonpayment of premiums. However, these exclusions do not apply to eligible individuals as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

(b) Any person on whose behalf the pool has paid out two million dollars in benefits;

(c) ~~Inmates of public institutions and those persons ((whose benefits are duplicated under public programs))~~ those persons who become eligible for medical assistance after June 30, 2008, as defined in RCW 74.09.010. However, these exclusions do not apply to eligible individuals as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

(d) Any person who resides in a county of the state where any carrier or insurer regulated under chapter 48.15 RCW offers to the public an individual health benefit plan other than a catastrophic health plan as defined in RCW 48.43.005 at the time of application to the pool and who does not qualify for pool coverage based upon the results of the standard health questionnaire, or pursuant to subsection (1)((~~d~~)) (a)(iv) of this section.

(3) When a carrier or insurer regulated under chapter 48.15 RCW begins to offer an individual health benefit plan in a county where no carrier had been offering an individual health benefit plan:

(a) If the health benefit plan offered is other than a catastrophic health plan as defined in RCW 48.43.005, any person enrolled in a pool plan pursuant to subsection (1)((~~e~~)) (a)(iii) of this section in that county shall no longer be eligible for coverage under that plan pursuant to subsection (1)((~~e~~)) (a)(iii) of this section, but may continue to be eligible for pool coverage based upon the results of the standard health questionnaire designated by the board and administered by the pool administrator. The pool administrator shall offer to administer the questionnaire to each person no longer eligible for coverage under subsection (1)((~~e~~)) (a)(iii) of this section within thirty days of determining that he or she is no longer eligible;

(b) Losing eligibility for pool coverage under this subsection (3) does not affect a person's eligibility for pool coverage under subsection (1)(a)(~~i~~), ((~~b~~)) (ii), or ((~~d~~)) (iv) of this section; and

(c) The pool administrator shall provide written notice to any person who is no longer eligible for coverage under a pool plan under this subsection (3) within

thirty days of the administrator's determination that the person is no longer eligible. The notice shall: (i) Indicate that coverage under the plan will cease ninety days from the date that the notice is dated; (ii) describe any other coverage options, either in or outside of the pool, available to the person; (iii) describe the procedures for the administration of the standard health questionnaire to determine the person's continued eligibility for coverage under subsection (1)(~~(b)~~) (a)(ii) of this section; and (iv) describe the enrollment process for the available options outside of the pool.

(4) The board shall ensure that an independent analysis of the eligibility standards for the pool coverage is conducted, including examining the eight percent eligibility threshold, eligibility for medicaid enrollees and other publicly sponsored enrollees, and the impacts on the pool and the state budget. The board shall report the findings to the legislature by December 1, 2007.

Sec. 4. RCW 48.41.100 and 2008 c 317 s 4 are each amended to read as follows:

(1)(a) The following persons who are residents of this state are eligible for pool coverage:

~~((a))~~ (i) Any person who provides evidence of a carrier's decision not to accept him or her for enrollment in an individual health benefit plan as defined in RCW 48.43.005 based upon, and within ninety days of the receipt of, the results of the standard health questionnaire designated by the board and administered by health carriers under RCW 48.43.018;

~~((b))~~ (ii) Any person who continues to be eligible for pool coverage based upon the results of the standard health questionnaire designated by the board and administered by the pool administrator pursuant to subsection (3) of this section;

~~((c))~~ (iii) Any person who resides in a county of the state where no carrier or insurer eligible under chapter 48.15 RCW offers to the public an individual health benefit plan other than a catastrophic health plan as defined in RCW 48.43.005 at the time of application to the pool, and who makes direct application to the pool; ~~(and~~

~~(d) Any medicare eligible person upon providing)~~ (iv) Any person becoming eligible for medicare before August 1, 2009, who provides evidence of (A) a rejection for medical reasons, (B) a requirement of restrictive riders, (C) an up-rated premium, ~~((e))~~ (D) a preexisting conditions limitation ~~((e-a))~~, or (E) lack of access to or for a comprehensive medicare supplemental insurance policy under chapter 48.66 RCW, the effect of any of which is to substantially reduce coverage from that received by a person considered a standard risk by at least one member within six months of the date of application; and

(v) Any person becoming eligible for medicare on or after August 1, 2009, who does not have access to a reasonable choice of comprehensive medicare part C plans, as defined in (b) of this subsection, and who provides evidence of (A) a rejection for medical reasons, (B) a requirement of restrictive riders, (C) an up-rated premium, (D) a preexisting conditions limitation, or (E) lack of access to or for a comprehensive medicare supplemental insurance policy under chapter 48.66 RCW, the effect of any of which is to substantially reduce coverage from that received by a person considered a standard risk by at least one member within six months of the date of application.

(b) For purposes of (a)(v) of this subsection (1), a person does not have access to a reasonable choice of plans unless the person has a choice of health

maintenance organization or preferred provider organization medicare part C plans offered by at least three different carriers that have had provider networks in the person's county of residence for at least five years. The plan options must include coverage at least as comprehensive as a plan F medicare supplement plan combined with medicare parts A and B. The plan options must also provide access to adequate and stable provider networks that make up-to-date provider directories easily accessible on the carrier web site, and will provide them in hard copy, if requested. In addition, if no health maintenance organization or preferred provider organization plan includes the health care provider with whom the person has an established care relationship and from whom he or she has received treatment within the past twelve months, the person does not have reasonable access.

(2) The following persons are not eligible for coverage by the pool:

(a) Any person having terminated coverage in the pool unless (i) twelve months have lapsed since termination, or (ii) that person can show continuous other coverage which has been involuntarily terminated for any reason other than nonpayment of premiums. However, these exclusions do not apply to eligible individuals as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

(b) Any person on whose behalf the pool has paid out two million dollars in benefits;

(c) Inmates of public institutions, and those persons who become eligible for medical assistance after June 30, 2008, as defined in RCW 74.09.010. However, these exclusions do not apply to eligible individuals as defined in section 2741(b) of the federal health insurance portability and accountability act of 1996 (42 U.S.C. Sec. 300gg-41(b));

(d) Any person who resides in a county of the state where any carrier or insurer regulated under chapter 48.15 RCW offers to the public an individual health benefit plan other than a catastrophic health plan as defined in RCW 48.43.005 at the time of application to the pool and who does not qualify for pool coverage based upon the results of the standard health questionnaire, or pursuant to subsection (1)((~~d~~)) (a)(iv) of this section.

(3) When a carrier or insurer regulated under chapter 48.15 RCW begins to offer an individual health benefit plan in a county where no carrier had been offering an individual health benefit plan:

(a) If the health benefit plan offered is other than a catastrophic health plan as defined in RCW 48.43.005, any person enrolled in a pool plan pursuant to subsection (1)((~~e~~)) (a)(iii) of this section in that county shall no longer be eligible for coverage under that plan pursuant to subsection (1)((~~e~~)) (a)(iii) of this section, but may continue to be eligible for pool coverage based upon the results of the standard health questionnaire designated by the board and administered by the pool administrator. The pool administrator shall offer to administer the questionnaire to each person no longer eligible for coverage under subsection (1)((~~e~~)) (a)(iii) of this section within thirty days of determining that he or she is no longer eligible;

(b) Losing eligibility for pool coverage under this subsection (3) does not affect a person's eligibility for pool coverage under subsection (1)(a)(i), ~~((b))~~ (ii), or ~~((d))~~ (iv) of this section; and

(c) The pool administrator shall provide written notice to any person who is no longer eligible for coverage under a pool plan under this subsection (3) within thirty days of the administrator's determination that the person is no longer eligible. The notice shall: (i) Indicate that coverage under the plan will cease ninety days from the date that the notice is dated; (ii) describe any other coverage options, either in or outside of the pool, available to the person; (iii) describe the procedures for the administration of the standard health questionnaire to determine the person's continued eligibility for coverage under subsection (1)(~~(b))~~) (a)(ii) of this section; and (iv) describe the enrollment process for the available options outside of the pool.

(4) The board shall ensure that an independent analysis of the eligibility standards for the pool coverage is conducted, including examining the eight percent eligibility threshold, eligibility for medicaid enrollees and other publicly sponsored enrollees, and the impacts on the pool and the state budget. The board shall report the findings to the legislature by December 1, 2007.

NEW SECTION. Sec. 5. The board of the Washington state health insurance pool shall conduct a study of options for equitable, stable, and broad-based funding sources for the operation of the pool. The board is authorized to solicit funds to conduct the study. The board shall report its findings and recommendations to the appropriate committees of the senate and house of representatives by December 15, 2009.

NEW SECTION. Sec. 6. Section 3 of this act takes effect if section 4, chapter 317, Laws of 2008 is null and void on the effective date of this act; otherwise section 3 of this act is null and void.

NEW SECTION. Sec. 7. Section 4 of this act takes effect if section 4, chapter 317, Laws of 2008 is in effect on the effective date of this act; otherwise section 4 of this act is null and void.

Passed by the Senate April 25, 2009.

Passed by the House April 23, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 556

[Engrossed Substitute Senate Bill 5889]

EDUCATION SYSTEM—FLEXIBILITY

AN ACT Relating to flexibility in the education system; amending RCW 28A.165.025, 28A.165.045, 28A.210.010, 28A.210.040, 28A.225.005, 28A.225.290, 28A.225.300, 28A.230.095, 28A.300.040, 28A.300.525, 28A.320.165, 28A.320.180, 28A.600.160, 28A.655.075, 17.21.415, 28A.650.015, 28A.210.020, and 28A.655.065; reenacting and amending RCW 28A.230.125; repealing RCW 28A.230.092, 28A.230.185, 28A.300.412, 28A.600.415, 28A.625.010, 28A.625.020, 28A.625.030, 28A.625.042, 28A.625.050, 28A.625.350, 28A.625.360, 28A.625.370, 28A.625.380, 28A.625.390, 28A.625.900, 28A.630.045, and 28A.630.881; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.165.025 and 2004 c 20 s 3 are each amended to read as follows:

((By July 1st of each year,)) (1) A participating school district shall submit the district's plan for using learning assistance funds to the office of the

superintendent of public instruction for approval, to the extent required under subsection (2) of this section. ~~((For the 2004-05 school year, school districts must identify the program activities to be implemented from RCW 28A.165.035 and are encouraged to implement the elements in subsections (1) through (8) of this section. Beginning in the 2005-06 school year,))~~ The program plan must identify the program activities to be implemented from RCW 28A.165.035 and implement all of the elements in ~~((subsections (1)))~~ (a) through ~~((8)))~~ (h) of this ~~((section))~~ subsection. The school district plan shall include the following:

~~((1))~~ (a) District and school-level data on reading, writing, and mathematics achievement as reported pursuant to chapter 28A.655 RCW and relevant federal law;

~~((2))~~ (b) Processes used for identifying the underachieving students to be served by the program, including the identification of school or program sites providing program activities;

~~((3))~~ (c) How accelerated learning plans are developed and implemented for participating students. Accelerated learning plans may be developed as part of existing student achievement plan process such as student plans for achieving state high school graduation standards, individual student academic plans, or the achievement plans for groups of students. Accelerated learning plans shall include:

~~((a))~~ (i) Achievement goals for the students;

~~((b))~~ (ii) Roles of the student, parents, or guardians and teachers in the plan;

~~((c))~~ (iii) Communication procedures regarding student accomplishment; and

~~((d))~~ (iv) Plan reviews and adjustments processes;

~~((4))~~ (d) How state level and classroom assessments are used to inform instruction;

~~((5))~~ (e) How focused and intentional instructional strategies have been identified and implemented;

~~((6))~~ (f) How highly qualified instructional staff are developed and supported in the program and in participating schools;

~~((7))~~ (g) How other federal, state, district, and school resources are coordinated with school improvement plans and the district's strategic plan to support underachieving students; and

~~((8))~~ (h) How a program evaluation will be conducted to determine direction for the following school year.

(2) If a school district has received approval of its plan once, it is not required to submit a plan for approval under RCW 28A.165.045 or this section unless the district has made a significant change to the plan. If a district has made a significant change to only a portion of the plan the district need only submit a description of the changes made and not the entire plan. Plans or descriptions of changes to the plan must be submitted by July 1st as required under this section. The office of the superintendent of public instruction shall establish guidelines for what a "significant change" is.

Sec. 2. RCW 28A.165.045 and 2004 c 20 s 5 are each amended to read as follows:

A participating school district shall ~~((annually))~~ submit a program plan to the office of the superintendent of public instruction for approval to the extent

required by RCW 28A.165.025. The program plan must address all of the elements in RCW 28A.165.025 and identify the program activities to be implemented from RCW 28A.165.035.

School districts achieving state reading and mathematics goals as prescribed in chapter 28A.655 RCW shall have their program approved once the program plan and activities submittal is completed.

School districts not achieving state reading and mathematics goals as prescribed in chapter 28A.655 RCW and that are not in a state or federal program of school improvement shall be subject to program approval once the plan components are reviewed by the office of the superintendent of public instruction for the purpose of receiving technical assistance in the final development of the plan.

School districts with one or more schools in a state or federal program of school improvement shall have their plans and activities reviewed and approved in conjunction with the state or federal program school improvement program requirements.

Sec. 3. RCW 28A.210.010 and 1971 c 32 s 1 are each amended to read as follows:

The state board of health, after consultation with the superintendent of public instruction, shall adopt reasonable rules ~~((and regulations))~~ regarding the presence of persons on or about any school premises who have, or who have been exposed to, contagious diseases deemed by the state board of health as dangerous to the public health. Such rules ~~((and regulations))~~ shall specify reasonable and precautionary procedures as to such presence and/or readmission of such persons and may include the requirement for a certificate from a licensed physician that there is no danger of contagion. The superintendent of public instruction shall ~~((print and distribute the))~~ provide to appropriate school officials and personnel, access and notice of these rules ((and regulations)) of the state board of health ((above provided to appropriate school officials and personnel)). Providing online access to these rules satisfies the requirements of this section. The superintendent of public instruction is required to provide this notice only when there are significant changes to the rules.

Sec. 4. RCW 28A.210.040 and 1990 c 33 s 189 are each amended to read as follows:

The superintendent of public instruction shall ~~((print and distribute))~~ provide access to appropriate school officials the rules ~~((and regulations))~~ adopted by the state board of health pursuant to RCW 28A.210.020 and the recommended records and forms to be used in making and reporting such screenings. Providing online access to the materials satisfies the requirements of this section.

Sec. 5. RCW 28A.225.005 and 1992 c 205 s 201 are each amended to read as follows:

Each school within a school district shall inform the students and the parents of the students enrolled in the school about the compulsory education requirements under this chapter. The school shall ~~((distribute))~~ provide access to the information at least annually. Providing online access to the information satisfies the requirements of this section unless a parent or guardian specifically requests information to be provided in written form.

Sec. 6. RCW 28A.225.290 and 1990 1st ex.s. c 9 s 207 are each amended to read as follows:

(1) The superintendent of public instruction shall prepare and annually ~~((distribute an))~~ provide access to information ((booklet)) outlining parents' and guardians' enrollment options for their children. Providing online access to the information satisfies the requirements of this section unless a parent or guardian specifically requests information to be provided in written form.

(2) ~~((Before the 1991-92 school year, the booklet shall be distributed to all school districts by the office of the superintendent of public instruction. School districts shall have a copy of the information booklet available for public inspection at each school in the district, at the district office, and in public libraries))~~ School districts shall provide access to the information in this section to the public. Providing online access to the information satisfies the requirements of this subsection unless a parent or guardian specifically requests the information be provided in written form.

(3) The booklet shall include:

(a) Information about enrollment options and program opportunities, including but not limited to programs in RCW 28A.225.220, 28A.185.040, 28A.225.200 through 28A.225.215, 28A.225.230 through 28A.225.250, 28A.175.090, 28A.340.010 through 28A.340.070 (small high school cooperative projects), and 28A.335.160.

(b) Information about the running start - community college or vocational-technical institute choice program under RCW 28A.600.300 through ~~((28A.600.395))~~ 28A.600.390; and

(c) Information about the seventh and eighth grade choice program under RCW 28A.230.090.

Sec. 7. RCW 28A.225.300 and 1990 1st ex.s. c 9 s 208 are each amended to read as follows:

Each school district board of directors annually shall inform parents of the district's intradistrict and interdistrict enrollment options and parental involvement opportunities. Information on intradistrict enrollment options and interdistrict acceptance policies shall be provided to nonresidents on request. Providing online access to the information satisfies the requirements of this section unless a parent or guardian specifically requests information to be provided in written form.

Sec. 8. RCW 28A.230.095 and 2006 c 113 s 2 are each amended to read as follows:

(1) By the end of the 2008-09 school year, school districts shall have in place in elementary schools, middle schools, and high schools assessments or other strategies chosen by the district to assure that students have an opportunity to learn the essential academic learning requirements in social studies, the arts, and health and fitness. Social studies includes history, geography, civics, economics, and social studies skills. Beginning with the 2008-09 school year, school districts shall annually submit an implementation verification report to the office of the superintendent of public instruction. The office of the superintendent of public instruction may not require school districts to use a classroom-based assessment in social studies, the arts, and health and fitness to

meet the requirements of this section and shall clearly communicate to districts their option to use other strategies chosen by the district.

(2) Beginning with the 2008-09 school year, school districts shall require students in ~~((the fourth or fifth grades [grade],))~~ the seventh or eighth ~~((grades [grade]))~~ grade, and the eleventh or twelfth ~~((grades [grade]))~~ grade to each complete at least one classroom-based assessment in civics. Beginning with the 2010-11 school year, school districts shall require students in the fourth or fifth grade to complete at least one classroom-based assessment in civics. The civics assessment may be selected from a list of classroom-based assessments approved by the office of the superintendent of public instruction. Beginning with the 2008-09 school year, school districts shall annually submit implementation verification reports to the office of the superintendent of public instruction documenting the use of the classroom-based assessments in civics.

(3) Verification reports shall require school districts to report only the information necessary to comply with this section.

Sec. 9. RCW 28A.230.125 and 2006 c 263 s 401 and 2006 c 115 s 6 are each reenacted and amended to read as follows:

(1) The superintendent of public instruction, in consultation with the higher education coordinating board, the state board for community and technical colleges, and the workforce training and education coordinating board, shall develop for use by all public school districts a standardized high school transcript. The superintendent shall establish clear definitions for the terms "credits" and "hours" so that school programs operating on the quarter, semester, or trimester system can be compared.

(2) The standardized high school transcript shall include a notation of whether the student has earned a certificate of individual achievement or a certificate of academic achievement.

~~((3) Transcripts are important documents to students who will apply for admission to postsecondary institutions of higher education. Transcripts are also important to students who will seek employment upon or prior to graduation from high school. It is recognized that student transcripts may be the only record available to employers in their decision-making processes regarding prospective employees. The superintendent of public instruction shall require school districts to inform annually all high school students that prospective employers may request to see transcripts and that the prospective employee's decision to release transcripts can be an important part of the process of applying for employment.))~~

Sec. 10. RCW 28A.300.040 and 2006 c 263 s 104 are each amended to read as follows:

In addition to any other powers and duties as provided by law, the powers and duties of the superintendent of public instruction shall be:

(1) To have supervision over all matters pertaining to the public schools of the state;

(2) To report to the governor and the legislature such information and data as may be required for the management and improvement of the schools;

(3) To prepare and have printed such forms, registers, courses of study, rules for the government of the common schools, and such other material and books as may be necessary for the discharge of the duties of teachers and officials charged

with the administration of the laws relating to the common schools, and to distribute the same to educational service district superintendents;

(4) To travel, without neglecting his or her other official duties as superintendent of public instruction, for the purpose of attending educational meetings or conventions, of visiting schools, and of consulting educational service district superintendents or other school officials;

(5) To prepare and from time to time to revise a manual of the Washington state common school code, copies of which shall be ~~((provided in such numbers as determined by the superintendent of public instruction at no cost to those public agencies within the common school system))~~ made available online and which shall be sold at approximate actual cost of publication and distribution per volume to ~~((all other))~~ public and nonpublic agencies or individuals, said manual to contain Titles 28A and 28C RCW, rules related to the common schools, and such other matter as the state superintendent or the state board of education shall determine. Proceeds of the sale of such code shall be transmitted to the public printer who shall credit the state superintendent's account within the state printing plant revolving fund by a like amount;

(6) To file all papers, reports and public documents transmitted to the superintendent by the school officials of the several counties or districts of the state, each year separately. Copies of all papers filed in the superintendent's office, and the superintendent's official acts, may, or upon request, shall be certified by the superintendent and attested by the superintendent's official seal, and when so certified shall be evidence of the papers or acts so certified to;

(7) To require annually, on or before the 15th day of August, of the president, manager, or principal of every educational institution in this state, a report as required by the superintendent of public instruction; and it is the duty of every president, manager, or principal, to complete and return such forms within such time as the superintendent of public instruction shall direct;

(8) To keep in the superintendent's office a record of all teachers receiving certificates to teach in the common schools of this state;

(9) To issue certificates as provided by law;

(10) To keep in the superintendent's office at the capital of the state, all books and papers pertaining to the business of the superintendent's office, and to keep and preserve in the superintendent's office a complete record of statistics, as well as a record of the meetings of the state board of education;

(11) With the assistance of the office of the attorney general, to decide all points of law which may be submitted to the superintendent in writing by any educational service district superintendent, or that may be submitted to the superintendent by any other person, upon appeal from the decision of any educational service district superintendent; and the superintendent shall publish his or her rulings and decisions from time to time for the information of school officials and teachers; and the superintendent's decision shall be final unless set aside by a court of competent jurisdiction;

(12) To administer oaths and affirmations in the discharge of the superintendent's official duties;

(13) To deliver to his or her successor, at the expiration of the superintendent's term of office, all records, books, maps, documents and papers of whatever kind belonging to the superintendent's office or which may have been received by the superintendent's for the use of the superintendent's office;

(14) To administer family services and programs to promote the state's policy as provided in RCW 74.14A.025;

(15) To promote the adoption of school-based curricula and policies that provide quality, daily physical education for all students, and to encourage policies that provide all students with opportunities for physical activity outside of formal physical education classes;

(16) To perform such other duties as may be required by law.

Sec. 11. RCW 28A.300.525 and 2008 c 297 s 2 are each amended to read as follows:

(1) The superintendent of public instruction shall provide an annual aggregate report to the legislature on the educational experiences and progress of students in children's administration out-of-home care. This data should be disaggregated in the smallest units allowable by law that do not identify an individual student, in order to learn which school districts are experiencing the greatest success and challenges in achieving quality educational outcomes with students in children's administration out-of-home care.

(2) This section is suspended until July 1, 2011.

Sec. 12. RCW 28A.320.165 and 2001 c 333 s 4 are each amended to read as follows:

Schools as defined in RCW 17.21.415 shall provide notice of pesticide use to parents or guardians of students and employees pursuant to chapter 17.21 RCW, upon the request of the parent or guardian.

Sec. 13. RCW 28A.320.180 and 2007 c 396 s 11 are each amended to read as follows:

(1) Subject to funding appropriated for this purpose and beginning in the fall of 2009, school districts shall provide all high school students enrolled in the district the option of taking the mathematics college readiness test developed under RCW 28B.10.679 once at no cost to the students. Districts shall encourage, but not require, students to take the test in their junior or senior year of high school.

(2) Subject to funding appropriated for this purpose, the office of the superintendent of public instruction shall reimburse each district for the costs incurred by the district in providing students the opportunity to take the mathematics placement test.

(3) This section is suspended until July 1, 2011.

Sec. 14. RCW 28A.600.160 and 1998 c 225 s 2 are each amended to read as follows:

Any middle school, junior high school, or high school using educational pathways shall ensure that all participating students will continue to have access to the courses and instruction necessary to meet admission requirements at baccalaureate institutions. Students shall be allowed to enter the educational pathway of their choice. Before accepting a student into an educational pathway, the school shall inform the student's parent of the pathway chosen, the opportunities available to the student through the pathway, and the career objectives the student will have exposure to while pursuing the pathway. Providing online access to the information satisfies the requirements of this section unless a parent or guardian specifically request information to be provided in written form. Parents and students dissatisfied with the

opportunities available through the selected educational pathway shall be provided with the opportunity to transfer the student to any other pathway provided in the school. Schools may not develop educational pathways that retain students in high school beyond the date they are eligible to graduate, and may not require students who transfer between pathways to complete pathway requirements beyond the date the student is eligible to graduate. Educational pathways may include, but are not limited to, programs such as work-based learning, ~~((school-to-work transition,))~~ tech prep, ~~((vocational-technical))~~ career and technical education, running start, and preparation for technical college, community college, or university education.

Sec. 15. RCW 28A.655.075 and 2007 c 396 s 16 are each amended to read as follows:

(1) Within funds specifically appropriated therefor, by December 1, 2008, the superintendent of public instruction shall develop essential academic learning requirements and grade level expectations for educational technology literacy and technology fluency that identify the knowledge and skills that all public school students need to know and be able to do in the areas of technology and technology literacy. The development process shall include a review of current standards that have been developed or are used by other states and national and international technology associations. To the maximum extent possible, the superintendent shall integrate goal four and the knowledge and skill areas in the other goals in the technology essential academic learning requirements.

(a) As used in this section, "technology literacy" means the ability to responsibly, creatively, and effectively use appropriate technology to communicate; access, collect, manage, integrate, and evaluate information; solve problems and create solutions; build and share knowledge; and improve and enhance learning in all subject areas and experiences.

(b) Technology fluency builds upon technology literacy and is demonstrated when students: Apply technology to real-world experiences; adapt to changing technologies; modify current and create new technologies; and personalize technology to meet personal needs, interests, and learning styles.

(2)(a) Within funds specifically appropriated therefor, the superintendent shall obtain or develop education technology assessments that may be administered in the elementary, middle, and high school grades to assess the essential academic learning requirements for technology. The assessments shall be designed to be classroom or project-based so that they can be embedded in classroom instruction and be administered and scored by school staff throughout the regular school year using consistent scoring criteria and procedures. By the 2010-11 school year, these assessments shall be made available to school districts for the districts' voluntary use. If a school district uses the assessments created under this section, then the school district shall notify the superintendent of public instruction of the use. The superintendent shall report annually to the legislature on the number of school districts that use the assessments each school year.

(b) Beginning December 1, 2010, and annually thereafter, the superintendent of public instruction shall provide a report to the relevant legislative committees regarding the use of the assessments.

(3) This section is suspended until July 1, 2011.

Sec. 16. RCW 17.21.415 and 2001 c 333 s 3 are each amended to read as follows:

(1) As used in this section, "school" means a licensed day care center or a public kindergarten or a public elementary or secondary school.

(2) A school shall provide written notification (~~((annually or upon enrollment))~~, upon request, to parents or guardians of students and employees describing the school's pest control policies and methods, including the posting and notification requirements of this section.

(3) A school shall establish a notification system that, as a minimum, notifies interested parents or guardians of students and employees at least forty-eight hours before a pesticide application to a school facility. The notification system shall include posting of the notification in a prominent place in the main office of the school.

(4) All notifications to parents, guardians, and employees shall include the heading "Notice: Pesticide Application" and, at a minimum, shall state:

- (a) The product name of the pesticide to be applied;
- (b) The intended date and time of application;
- (c) The location to which the pesticide is to be applied;
- (d) The pest to be controlled; and
- (e) The name and phone number of a contact person at the school.

(5) A school facility application must be made within forty-eight hours following the intended date and time stated in the notification or the notification process shall be repeated.

(6) A school shall, at the time of application, post notification signs for all pesticide applications made to school facilities unless the application is otherwise required to be posted by a certified applicator under the provisions of RCW 17.21.410(1)(d).

(a) Notification signs for applications made to school grounds by school employees shall be placed at the location of the application and at each primary point of entry to the school grounds. The signs shall be a minimum of four inches by five inches and shall include the words: "THIS LANDSCAPE HAS BEEN RECENTLY SPRAYED OR TREATED WITH PESTICIDES BY YOUR SCHOOL" as the headline and "FOR MORE INFORMATION PLEASE CALL" as the footer. The footer shall provide the name and telephone number of a contact person at the school.

(b) Notification signs for applications made to school facilities other than school grounds shall be posted at the location of the application. The signs shall be a minimum of eight and one-half by eleven inches and shall include the heading "Notice: Pesticide Application" and, at a minimum, shall state:

- (i) The product name of the pesticide applied;
- (ii) The date and time of application;
- (iii) The location to which the pesticide was applied;
- (iv) The pest to be controlled; and
- (v) The name and phone number of a contact person at the school.

(c) Notification signs shall be printed in colors contrasting to the background.

(d) Notification signs shall remain in place for at least twenty-four hours from the time the application is completed. In the event the pesticide label requires a restricted entry interval greater than twenty-four hours, the

notification sign shall remain in place consistent with the restricted entry interval time as required by the label.

(7) A school facility application does not include the application of antimicrobial pesticides or the placement of insect or rodent baits that are not accessible to children.

(8) The prenotification requirements of this section do not apply if the school facility application is made when the school is not occupied by students for at least two consecutive days after the application.

(9) The prenotification requirements of this section do not apply to any emergency school facility application for control of any pest that poses an immediate human health or safety threat, such as an application to control stinging insects. When an emergency school facility application is made, notification consistent with the school's notification system shall occur as soon as possible after the application. The notification shall include information consistent with subsection (6)(b) of this section.

(10) A school shall make the records of all pesticide applications to school facilities required under this chapter, including an annual summary of the records, readily accessible to interested persons.

(11) A school is not liable for the removal of signs by unauthorized persons. A school that complies with this section may not be held liable for personal property damage or bodily injury resulting from signs that are placed as required.

Sec. 17. RCW 28A.650.015 and 2006 c 263 s 917 are each amended to read as follows:

(1) The superintendent of public instruction, to the extent funds are appropriated, shall develop and implement a Washington state K-12 education technology plan. The technology plan shall be updated on at least a biennial basis, shall be developed to coordinate and expand the use of education technology in the common schools of the state. The plan shall be consistent with applicable provisions of chapter 43.105 RCW. The plan, at a minimum, shall address:

(a) The provision of technical assistance to schools and school districts for the planning, implementation, and training of staff in the use of technology in curricular and administrative functions;

(b) The continued development of a network to connect school districts, institutions of higher learning, and other sources of online information; and

(c) Methods to equitably increase the use of education technology by students and school personnel throughout the state.

(2) The superintendent of public instruction shall appoint an educational technology advisory committee to assist in the development and implementation of the technology plan in subsection (1) of this section. The committee shall include, but is not limited to, persons representing: The department of information services, educational service districts, school directors, school administrators, school principals, teachers, classified staff, higher education faculty, parents, students, business, labor, scientists and mathematicians, the higher education coordinating board, the workforce training and education coordinating board, and the state library.

(3) The plan adopted and implemented under this section may not impose on school districts any requirements that are not specifically required by federal

law or regulation, including requirements to maintain eligibility for the federal schools and libraries program of the universal service fund.

Sec. 18. RCW 28A.210.020 and 1971 c 32 s 2 are each amended to read as follows:

Every board of school directors shall have the power, and it shall be its duty to provide for and require screening for the visual and auditory acuity of all children attending schools in their districts to ascertain which if any of such children have defects sufficient to retard them in their studies. Auditory and visual screening shall be made in accordance with procedures and standards adopted by rule or regulation of the state board of health. Prior to the adoption or revision of such rules or regulations the state board of health shall seek the recommendations of the superintendent of public instruction regarding the administration of visual and auditory screening and the qualifications of persons competent to administer such screening. Persons performing visual screening may include, but are not limited to, ophthalmologists, optometrists, or opticians who donate their professional services to schools or school districts. If a vision professional who donates his or her services identifies a vision defect sufficient to affect a student's learning, the vision professional must notify the school nurse and/or the school principal in writing and may not contact the student's parents or guardians directly. A school official shall inform parents or guardians of students in writing that a visual examination was recommended, but may not communicate the name or contact information of the vision professional conducting the screening.

Sec. 19. RCW 28A.655.065 and 2008 c 170 s 205 are each amended to read as follows:

(1) The legislature has made a commitment to rigorous academic standards for receipt of a high school diploma. The primary way that students will demonstrate that they meet the standards in reading, writing, mathematics, and science is through the Washington assessment of student learning. Only objective assessments that are comparable in rigor to the state assessment are authorized as an alternative assessment. Before seeking an alternative assessment, the legislature expects students to make a genuine effort to meet state standards, through regular and consistent attendance at school and participation in extended learning and other assistance programs.

(2) Under RCW 28A.655.061, beginning in the 2006-07 school year, the superintendent of public instruction shall implement objective alternative assessment methods as provided in this section for students to demonstrate achievement of the state standards in content areas in which the student has not yet met the standard on the high school Washington assessment of student learning. A student may access an alternative if the student meets applicable eligibility criteria in RCW 28A.655.061 and this section and other eligibility criteria established by the superintendent of public instruction, including but not limited to attendance criteria and participation in the remediation or supplemental instruction contained in the student learning plan developed under RCW 28A.655.061. A school district may waive attendance and/or remediation criteria for special, unavoidable circumstances.

(3) For the purposes of this section, "applicant" means a student seeking to use one of the alternative assessment methods in this section.

(4) One alternative assessment method shall be a combination of the applicant's grades in applicable courses and the applicant's highest score on the high school Washington assessment of student learning, as provided in this subsection. A student is eligible to apply for the alternative assessment method under this subsection (4) if the student has a cumulative grade point average of at least 3.2 on a four point grading scale. The superintendent of public instruction shall determine which high school courses are applicable to the alternative assessment method and shall issue guidelines to school districts.

(a) Using guidelines prepared by the superintendent of public instruction, a school district shall identify the group of students in the same school as the applicant who took the same high school courses as the applicant in the applicable content area. From the group of students identified in this manner, the district shall select the comparison cohort that shall be those students who met or slightly exceeded the state standard on the Washington assessment of student learning.

(b) The district shall compare the applicant's grades in high school courses in the applicable content area to the grades of students in the comparison cohort for the same high school courses. If the applicant's grades are equal to or above the mean grades of the comparison cohort, the applicant shall be deemed to have met the state standard on the alternative assessment.

(c) An applicant may not use the alternative assessment under this subsection (4) if there are fewer than six students in the comparison cohort.

(5) The superintendent of public instruction shall develop an alternative assessment method that shall be an evaluation of a collection of work samples prepared and submitted by the applicant. Effective September 1, 2009, collection of work samples may be submitted only in content areas where meeting the state standard on the high school assessment is required for purposes of graduation.

(a) The superintendent of public instruction shall develop guidelines for the types and number of work samples in each content area that may be submitted as a collection of evidence that the applicant has met the state standard in that content area. Work samples may be collected from academic, career and technical, or remedial courses and may include performance tasks as well as written products. The superintendent shall submit the guidelines for approval by the state board of education.

(b) The superintendent shall develop protocols for submission of the collection of work samples that include affidavits from the applicant's teachers and school district that the samples are the work of the applicant and a requirement that a portion of the samples be prepared under the direct supervision of a classroom teacher. The superintendent shall submit the protocols for approval by the state board of education.

(c) The superintendent shall develop uniform scoring criteria for evaluating the collection of work samples and submit the scoring criteria for approval by the state board of education. Collections shall be scored at the state level or regionally by a panel of educators selected and trained by the superintendent to ensure objectivity, reliability, and rigor in the evaluation. An educator may not score work samples submitted by applicants from the educator's school district. If the panel awards an applicant's collection of work samples the minimum

required score, the applicant shall be deemed to have met the state standard on the alternative assessment.

(d) Using an open and public process that includes consultation with district superintendents, school principals, and other educators, the state board of education shall consider the guidelines, protocols, scoring criteria, and other information regarding the collection of work samples submitted by the superintendent of public instruction. The collection of work samples may be implemented as an alternative assessment after the state board of education has approved the guidelines, protocols, and scoring criteria and determined that the collection of work samples: (i) Will meet professionally accepted standards for a valid and reliable measure of the grade level expectations and the essential academic learning requirements; and (ii) is comparable to or exceeds the rigor of the skills and knowledge that a student must demonstrate on the Washington assessment of student learning in the applicable content area. The state board shall make an approval decision and determination no later than December 1, 2006, and thereafter may increase the required rigor of the collection of work samples.

(e) By September of 2006, the superintendent of public instruction shall develop informational materials for parents, teachers, and students regarding the collection of work samples and the status of its development as an alternative assessment method. The materials shall provide specific guidance regarding the type and number of work samples likely to be required, include examples of work that meets the state learning standards, and describe the scoring criteria and process for the collection. The materials shall also encourage students in the graduating class of 2008 to begin creating a collection if they believe they may seek to use the collection once it is implemented as an alternative assessment.

(6)(a) For students enrolled in a career and technical education program approved under RCW 28A.700.030, the superintendent of public instruction shall develop additional guidelines for collections of work samples that are tailored to different career and technical programs. The additional guidelines shall:

(i) Provide multiple examples of work samples that are related to the particular career and technical program;

(ii) Permit work samples based on completed activities or projects where demonstration of academic knowledge is inferred; and

(iii) Provide multiple examples of work samples drawn from career and technical courses.

(b) The purpose of the additional guidelines is to provide a clear pathway toward a certificate of academic achievement for career and technical students by showing them applied and relevant opportunities to demonstrate their knowledge and skills, and to provide guidance to teachers in integrating academic and career and technical instruction and assessment and assisting career and technical students in compiling a collection. The superintendent of public instruction shall develop and disseminate additional guidelines for no fewer than ten career and technical education programs representing a variety of program offerings by no later than September 1, 2008. Guidelines for ten additional programs shall be developed and disseminated no later than June 1, 2009.

(c) The superintendent shall consult with community and technical colleges, employers, the workforce training and education coordinating board, apprenticeship programs, and other regional and national experts in career and technical education to create appropriate guidelines and examples of work samples and other evidence of a career and technical student's knowledge and skills on the state academic standards.

(7) The superintendent of public instruction shall study the feasibility of using existing mathematics assessments in languages other than English as an additional alternative assessment option. The study shall include an estimation of the cost of translating the tenth grade mathematics assessment into other languages and scoring the assessments should they be implemented.

(8) The superintendent of public instruction shall implement:

(a) By June 1, 2006, a process for students to appeal the score they received on the high school assessments; and

(b) By January 1, 2007, guidelines and appeal processes for waiving specific requirements in RCW 28A.655.061 pertaining to the certificate of academic achievement and to the certificate of individual achievement for students who: (i) Transfer to a Washington public school in their junior or senior year with the intent of obtaining a public high school diploma, or (ii) have special, unavoidable circumstances.

(9) The state board of education shall examine opportunities for additional alternative assessments, including the possible use of one or more standardized norm-referenced student achievement tests and the possible use of the reading, writing, or mathematics portions of the ACT ASSET and ACT COMPASS test instruments as objective alternative assessments for demonstrating that a student has met the state standards for the certificate of academic achievement. The state board shall submit its findings and recommendations to the education committees of the legislature by January 10, 2008.

(10) The superintendent of public instruction shall adopt rules to implement this section.

NEW SECTION. Sec. 20. The following acts or parts of acts, as now existing or hereafter amended, are each repealed:

(1) RCW 28A.230.092 (Washington state history and government—Course content) and 2008 c 190 s 2;

(2) RCW 28A.230.185 (Family preservation education program) and 2005 c 491 s 2;

(3) RCW 28A.300.412 (Washington civil liberties public education program—Report) and 2000 c 210 s 6;

(4) RCW 28A.600.415 (Alternatives to suspension—Community service encouraged—Information provided to school districts) and 1992 c 155 s 2;

(5) RCW 28A.625.010 (Short title) and 1995 c 335 s 107, 1990 c 33 s 513, & 1986 c 147 s 1;

(6) RCW 28A.625.020 (Recipients—Awards) and 1991 c 255 s 1;

(7) RCW 28A.625.030 (Washington State Christa McAuliffe award for teachers) and 1991 c 255 s 2 & 1986 c 147 s 3;

(8) RCW 28A.625.042 (Certificates—Recognition awards) and 1994 c 279 s 4;

(9) RCW 28A.625.050 (Rules) and 1995 c 335 s 108, 1991 c 255 s 8, 1990 c 33 s 516, 1988 c 251 s 2, & 1986 c 147 s 5;

(10) RCW 28A.625.350 (Short title) and 1990 1st ex.s. c 10 s 1;

(11) RCW 28A.625.360 (Excellence in teacher preparation award) and 2006 c 263 s 804 & 1990 1st ex.s. c 10 s 2;

(12) RCW 28A.625.370 (Award for teacher educator) and 2006 c 263 s 820 & 1990 1st ex.s. c 10 s 3;

(13) RCW 28A.625.380 (Rules) and 2006 c 263 s 821 & 1990 1st ex.s. c 10 s 4;

(14) RCW 28A.625.390 (Educational grant—Eligibility—Award) and 2006 c 263 s 822 & 1990 1st ex.s. c 10 s 5;

(15) RCW 28A.625.900 (Severability—1990 1st ex.s. c 10) and 1990 1st ex.s. c 10 s 10;

(16) RCW 28A.630.045 (Local control and flexibility in assessments—Pilot project) and 2006 c 175 s 1; and

(17) RCW 28A.630.881 (School-to-work transition project—Findings—Intent—Outreach—Technical assistance) and 1997 c 58 s 304.

NEW SECTION. Sec. 21. Sections 11, 13, and 15 of this act expire July 1, 2011.

Passed by the Senate April 25, 2009.

Passed by the House April 23, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 557

[Engrossed Senate Bill 5894]

TRANSPORTATION SERVICES—RATE AND SERVICE REGULATION

AN ACT Relating to authorizing the utilities and transportation commission to forbear from rate and service regulation of certain transportation services; amending RCW 81.68.015, 81.84.010, 81.66.010, and 81.70.220; reenacting and amending RCW 46.74.010; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 81.68.015 and 2007 c 234 s 47 are each amended to read as follows:

This chapter does not apply to corporations or persons, their lessees, trustees, receivers, or trustees appointed by any court whatsoever insofar as they own, control, operate, or manage taxicabs, hotel buses, school buses, or any other carrier that does not come within the term "auto transportation company" as defined in RCW 81.68.010.

This chapter does not apply to persons operating motor vehicles when operated wholly within the limits of incorporated cities or towns, and for a distance not exceeding three road miles beyond the corporate limits of the city or town in Washington in which the original starting point of the vehicle is located, and which operation either alone or in conjunction with another vehicle or vehicles is not a part of any journey beyond the three-mile limit.

This chapter does not apply to commuter ride sharing or ride sharing for persons with special transportation needs in accordance with RCW 46.74.010, so long as the ride-sharing operation does not compete with or infringe upon comparable service actually being provided before the initiation of the ride-

sharing operation by an existing auto transportation company certificated under this chapter.

This chapter does not apply to a service carrying passengers for compensation over any public highway in this state between fixed termini or over a regular route if the commission finds, with or without a hearing, that the service does not serve an essential transportation purpose, is solely for recreation, and would not adversely affect the operations of the holder of a certificate under this chapter, and that exemption from this chapter is otherwise in the public interest. Companies providing these services must, however, obtain a permit under chapter 81.70 RCW.

This chapter does not apply to a service carrying passengers for compensation over any public highway in this state between fixed termini or over a regular route if the commission finds, with or without a hearing, that the service is provided pursuant to a contract with a state agency, or funded by a grant issued by the department of transportation, and that exemption from this chapter is otherwise in the public interest. Companies providing these services must, however, obtain a permit under chapter 81.70 RCW.

Sec. 2. RCW 81.84.010 and 2007 c 234 s 92 are each amended to read as follows:

(1) A commercial ferry may not operate any vessel or ferry for the public use for hire between fixed termini or over a regular route upon the waters within this state, including the rivers and lakes and Puget Sound, without first applying for and obtaining from the commission a certificate declaring that public convenience and necessity require such operation. Service authorized by certificates issued ~~((before or after July 25, 1993,))~~ to a commercial ferry operator must be exercised by the operator in a manner consistent with the conditions established in the certificate ~~((or))~~ and tariff(s) filed under chapter 81.28 RCW. However, a certificate is not required for a vessel primarily engaged in transporting freight other than vehicles, whose gross earnings from the transportation of passengers or vehicles, or both, are not more than ten percent of the total gross annual earnings of such vessel.

(2) If the commission finds, after a hearing, that an existing or a proposed commercial ferry service does not serve an essential transportation purpose and is solely for recreation, the commission may, by order, exempt that service from the requirements of certification and regulation under this chapter. If the nonessential service is a proposed service not already provided by an existing certificate holder, the commission must also find, after notice to any existing certificate holder operating within the same territory and an opportunity to be heard, that the proposed service would not adversely affect the rates or services of any existing certificate holder.

(3) This section does not affect the right of any county public transportation benefit area or other public agency within this state to construct, condemn, purchase, operate, or maintain, itself or by contract, agreement, or lease, with any person, firm, or corporation, ferries or boats across the waters within this state, including rivers and lakes and Puget Sound, if the operation is not over the same route or between the same districts being served by a certificate holder without first acquiring the rights granted to the certificate holder under the certificate.

((2)) (4) The holder of a certificate of public convenience and necessity granted under this chapter must initiate service within five years of obtaining the certificate, except that the holder of a certificate of public convenience and necessity for passenger-only ferry service in Puget Sound must initiate service within twenty months of obtaining the certificate. The certificate holder shall report to the commission every six months after the certificate is granted on the progress of the certificated route. The reports shall include, but not be limited to, the progress of environmental impact, parking, local government land use, docking, and financing considerations. Except in the case of passenger-only ferry service in Puget Sound, if service has not been initiated within five years of obtaining the certificate, the commission may extend the certificate on a twelve-month basis for up to three years if the six-month progress reports indicate there is significant advancement toward initiating service.

Sec. 3. RCW 81.66.010 and 1996 c 244 s 1 are each amended to read as follows:

The definitions set forth in this section shall apply throughout this chapter, unless the context clearly indicates otherwise.

(1) "Corporation" means a corporation, company, association, or joint stock association.

(2) "Person" means an individual, firm, or a copartnership.

(3) "Private, nonprofit transportation provider" means any private, nonprofit corporation providing transportation services for compensation solely to persons with special transportation needs, or pursuant to a contract with a state agency or funded by a grant issued by the department of transportation.

(4) "Persons with special transportation needs" means those persons, including their personal attendants, who because of physical or mental disability, income status, or age are unable to transport themselves or to purchase appropriate transportation.

Sec. 4. RCW 81.70.220 and 1989 c 163 s 7 are each amended to read as follows:

(1) No person may engage in the business of a charter party carrier or excursion service carrier of persons over any public highway without first having obtained a certificate from the commission to do so or having registered as an interstate carrier.

(2) An auto transportation company carrying passengers for compensation over any public highway in this state between fixed termini or over a regular route that is not required to hold an auto transportation certificate because of a commission finding under RCW 81.68.015 must obtain a certificate under this chapter.

Sec. 5. RCW 46.74.010 and 1997 c 250 s 8 and 1997 c 95 s 1 are each reenacted and amended to read as follows:

The definitions set forth in this section shall apply throughout this chapter, unless the context clearly indicates otherwise.

(1) "Commuter ride sharing" means a car pool or van pool arrangement whereby one or more fixed groups not exceeding fifteen persons each including the drivers, and (a) not fewer than five persons including the drivers, or (b) not fewer than four persons including the drivers where at least two of those persons are confined to wheelchairs when riding, are transported in a passenger motor

vehicle with a gross vehicle weight not exceeding ten thousand pounds, excluding special rider equipment, between their places of abode or termini near such places, and their places of employment or educational or other institutions, each group in a single daily round trip where the drivers are also on the way to or from their places of employment or educational or other institution.

(2) "Flexible commuter ride sharing" means a car pool or van pool arrangement whereby a group of at least two but not exceeding fifteen persons including the driver is transported in a passenger motor vehicle with a gross vehicle weight not exceeding ten thousand pounds, excluding special rider equipment, between their places of abode or termini near such places, and their places of employment or educational or other institutions, where the driver is also on the way to or from his or her place of employment or educational or other institution.

(3) "Ride sharing for persons with special transportation needs" means an arrangement whereby a group of persons with special transportation needs, and their attendants, is transported by a public social service agency or a private, nonprofit transportation provider, as defined in RCW 81.66.010(3), serving persons with special needs, in a passenger motor vehicle as defined by the department to include small buses, cutaways, and modified vans not more than twenty-eight feet long: PROVIDED, That the driver need not be a person with special transportation needs.

(4) "Ride-sharing operator" means the person, entity, or concern, not necessarily the driver, responsible for the existence and continuance of commuter ride sharing, flexible commuter ride sharing, or ride sharing for persons with special transportation needs. The term "ride-sharing operator" includes but is not limited to an employer, an employer's agent, an employer-organized association, a state agency, a county, a city, a public transportation benefit area, or any other political subdivision that owns or leases a ride-sharing vehicle.

(5) "Ride-sharing promotional activities" means those activities involved in forming a commuter ride-sharing arrangement or a flexible commuter ride-sharing arrangement, including but not limited to receiving information from existing and prospective ride-sharing participants, sharing that information with other existing and prospective ride-sharing participants, matching those persons with other existing or prospective ride-sharing participants, and making assignments of persons to ride-sharing arrangements.

(6) "Persons with special transportation needs" means those persons defined in RCW 81.66.010(4).

NEW SECTION. Sec. 6. (1) Within its existing resources, the utilities and transportation commission shall study the appropriateness of rate and service regulation of commercial ferries operating on Lake Chelan. The commission shall report its findings and recommendations to the legislature by December 31, 2009.

(2) This section expires December 31, 2009.

Passed by the Senate April 24, 2009.

Passed by the House April 22, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 558

[Substitute Senate Bill 5913]

UNIVERSITY OF WASHINGTON—HEALTH SCIENCES LIBRARY

AN ACT Relating to online access to the University of Washington health sciences library by certain health care providers; and amending RCW 43.70.110 and 43.70.112.

Be it enacted by the Legislature of the State of Washington:

**Sec. 1. RCW 43.70.110 and 2007 c 259 s 11 are each amended to read as follows:*

(1) The secretary shall charge fees to the licensee for obtaining a license. After June 30, 1995, municipal corporations providing emergency medical care and transportation services pursuant to chapter 18.73 RCW shall be exempt from such fees, provided that such other emergency services shall only be charged for their pro rata share of the cost of licensure and inspection, if appropriate. The secretary may waive the fees when, in the discretion of the secretary, the fees would not be in the best interest of public health and safety, or when the fees would be to the financial disadvantage of the state.

(2) Except as provided in subsection (3) of this section, fees charged shall be based on, but shall not exceed, the cost to the department for the licensure of the activity or class of activities and may include costs of necessary inspection.

(3) License fees shall include amounts in addition to the cost of licensure activities in the following circumstances:

(a) For registered nurses and licensed practical nurses licensed under chapter 18.79 RCW, support of a central nursing resource center as provided in RCW 18.79.202, until June 30, 2013;

(b) For all health care providers licensed under RCW 18.130.040, the cost of regulatory activities for retired volunteer medical worker licensees as provided in RCW 18.130.360; and

(c)(i) For physicians licensed under chapter 18.71 RCW, physician assistants licensed under chapter 18.71A RCW, osteopathic physicians licensed under chapter 18.57 RCW, osteopathic physicians' assistants licensed under chapter 18.57A RCW, naturopaths licensed under chapter 18.36A RCW, podiatrists licensed under chapter 18.22 RCW, chiropractors licensed under chapter 18.25 RCW, psychologists licensed under chapter 18.83 RCW, registered nurses licensed under chapter 18.79 RCW, optometrists licensed under chapter 18.53 RCW, mental health counselors licensed under chapter 18.225 RCW, massage therapists licensed under chapter 18.108 RCW, clinical social workers licensed under chapter 18.225 RCW, and acupuncturists licensed under chapter 18.06 RCW, the license fees shall include up to an additional twenty-five dollars to be transferred by the department to the University of Washington for the purposes of RCW 43.70.112. However, each person subject to this subsection (3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses he or she holds. Each year, by December 1st, the department shall provide an annual accounting of the use of the surcharge paid under this subsection, including the amounts paid by each of the professions subject to the surcharge. The accounting must be

transmitted by electronic mail to the members of the health care committees of the legislature.

(ii) Annually, beginning within one year after the program begins, the department shall convene a user advisory group to review the online access program under RCW 43.70.112 and make recommendations for improving the program. The work group must include a licensed professional from each of the categories of professionals paying the surcharge under (c)(i) of this subsection, a department representative, and a representative from the University of Washington.

(4) Department of health advisory committees may review fees established by the secretary for licenses and comment upon the appropriateness of the level of such fees.

*Sec. 1 was vetoed. See message at end of chapter.

Sec. 2. RCW 43.70.112 and 2007 c 259 s 12 are each amended to read as follows:

Within the amounts transferred from the department of health under RCW 43.70.110(3), the University of Washington shall, through the health sciences library, provide online access to selected vital clinical resources, medical journals, decision support tools, and evidence-based reviews of procedures, drugs, and devices to the health professionals listed in RCW 43.70.110(3)(c). Online access shall be available no later than January 1, 2009. Each year, by December 1st, the University of Washington shall provide an annual accounting of the use of the funds transferred, including which categories of health professionals are using the materials available under the program. The accounting must be transmitted by electronic mail to the members of the health care committees of the legislature.

Passed by the Senate April 25, 2009.

Passed by the House April 8, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 1, Substitute Senate Bill 5913 entitled:

"AN ACT Relating to online access to the University of Washington health sciences library by certain health care providers; and amending RCW 43.70.110 and 43.70.112."

I fully support the intent of this legislation, including its clarification that the existing surcharge to health care professionals should be assessed only once per year, regardless of the number of licenses a professional holds. Unfortunately, Section 1 also requires the Department of Health (Department) to create an ongoing, annual advisory group. Establishing new advisory groups in statute is contrary to our recent efforts to reduce the number of boards, commissions and advisory groups across all of state government. There are other, more efficient ways to keep interested parties informed and engaged on emerging issues.

Given the importance of this to many, I ask that Department pursue all available options to address the surcharge issue administratively. I also recommend that Department convene stakeholders to solicit feedback about the program and provide recommendations.

For these reasons, I have vetoed Section 1 of Substitute Senate Bill 5913.

With the exception of Section 1, Substitute Senate Bill 5913 is approved."

CHAPTER 559

[Engrossed Senate Bill 5915]

EMERGENCY RULE MAKING—BUDGETS

AN ACT Relating to authorizing emergency rule making when necessary to implement budget appropriations and reductions; amending RCW 34.05.350; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 34.05.350 and 1994 c 249 s 3 are each amended to read as follows:

(1) If an agency for good cause finds:

(a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest; ~~((or))~~

(b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule; or

(c) In order to implement the requirements or reductions in appropriations enacted in any budget for fiscal years 2009, 2010, or 2011, which necessitates the need for the immediate adoption, amendment, or repeal of a rule, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the fiscal needs or requirements of the agency,

the agency may dispense with those requirements and adopt, amend, or repeal the rule on an emergency basis. The agency's finding and a concise statement of the reasons for its finding shall be incorporated in the order for adoption of the emergency rule or amendment filed with the office of the code reviser under RCW 34.05.380 and with the rules review committee.

(2) An emergency rule adopted under this section takes effect upon filing with the code reviser, unless a later date is specified in the order of adoption, and may not remain in effect for longer than one hundred twenty days after filing. Identical or substantially similar emergency rules may not be adopted in sequence unless conditions have changed or the agency has filed notice of its intent to adopt the rule as a permanent rule, and is actively undertaking the appropriate procedures to adopt the rule as a permanent rule. This section does not relieve any agency from compliance with any law requiring that its permanent rules be approved by designated persons or bodies before they become effective.

(3) Within seven days after the rule is adopted, any person may petition the governor requesting the immediate repeal of a rule adopted on an emergency basis by any department listed in RCW 43.17.010. Within seven days after submission of the petition, the governor shall either deny the petition in writing, stating his or her reasons for the denial, or order the immediate repeal of the rule. In ruling on the petition, the governor shall consider only whether the conditions in subsection (1) of this section were met such that adoption of the rule on an emergency basis was necessary. If the governor orders the repeal of the emergency rule, any sanction imposed based on that rule is void. This subsection shall not be construed to prohibit adoption of any rule as a permanent rule.

~~((4) In adopting an emergency rule, the agency shall comply with section 4 of this act or provide a written explanation for its failure to do so.))~~

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 21, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 560

[Engrossed Senate Bill 5995]

BOARDS, COMMITTEES, AND COMMISSIONS—ELIMINATION

AN ACT Relating to eliminating certain boards, committees, and commissions and the transfer of certain duties effective June 30, 2009; amending RCW 18.06.080, 70.128.163, 70.149.040, 79A.75.900, 70.14.060, 4.92.130, 18.84.040, 18.84.070, 28B.116.020, 28B.12.040, 43.43.866, 43.10.240, and 43.15.020; reenacting and amending RCW 70.105D.030; creating new sections; repealing RCW 72.09.800, 28B.04.085, 70.128.225, 18.20.260, 4.92.230, 21.20.550, 21.20.560, 21.20.570, 21.20.580, 21.20.590, 28B.116.040, 18.155.050, 74.32.100, 74.32.110, 74.32.120, 74.32.130, 74.32.140, 74.32.150, 74.32.160, 74.32.170, 74.32.180, 43.43.858, 43.43.860, 43.43.862, 43.43.864, 10.29.030, 10.29.040, 10.29.080, and 10.29.090; repealing 2008 c 311 s 1 (uncodified); repealing 2008 c 311 s 2 (uncodified); repealing 2008 c 311 s 3 (uncodified); repealing 2008 c 311 s 4 (uncodified); repealing 1997 c 406 s 1 (uncodified); providing an effective date; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. Intent. One of the key roles of advisory boards, committees, and commissions is to provide input, advice and recommendations from stakeholders, other interested parties, and the public to state agencies. Some advisory boards, committees, and commissions may be abolished without detriment to the mission of the agency each supports. Most of the advisory functions of some boards, committees, and commissions can be performed without the administrative costs of maintaining formal organizations. In the interest of building a leaner, more efficient, and more responsible government, this vital communications conduit must be maintained for the benefit of the state and its citizens, through the use of modern communication technology. It is the intent of the legislature this interim to identify criteria to evaluate those advisory boards, committees, and commissions that may be eliminated or consolidated, and for agencies to identify new, less costly, and more effective opportunities to ensure a broad range of citizen participation is provided and that all reasonable efforts are made to ensure that channels are maintained for vital input from the citizens of Washington.

Acupuncture Ad Hoc Committee

Sec. 2. RCW 18.06.080 and 1995 c 323 s 7 are each amended to read as follows:

(1) The secretary is hereby authorized and empowered to execute the provisions of this chapter and shall offer examinations in acupuncture at least twice a year at such times and places as the secretary may select. The

examination shall be a written examination and may include a practical examination.

(2) The secretary shall develop or approve a licensure examination in the subjects that the secretary determines are within the scope of and commensurate with the work performed by licensed acupuncturists and shall include but not necessarily be limited to anatomy, physiology, microbiology, biochemistry, pathology, hygiene, and acupuncture. All application papers shall be deposited with the secretary and there retained for at least one year, when they may be destroyed.

(3) If the examination is successfully passed, the secretary shall confer on such candidate the title of Licensed Acupuncturist.

~~(4) ((The secretary may appoint members of the profession to serve in an ad hoc advisory capacity to the secretary in carrying out this chapter. The members will serve for designated times and provide advice on matters specifically identified and requested by the secretary. The members shall be compensated in accordance with RCW 43.03.220 and reimbursed for travel expenses under RCW 43.03.040 and 43.03.060.~~

~~(5)))~~ The secretary, ad hoc committee members, or individuals acting in their behalf are immune from suit in a civil action based on any certification or disciplinary proceedings or other official acts performed in the course of their duties.

Character-Building Residential Services in Prisons, Oversight Committee

NEW SECTION. **Sec. 3.** RCW 72.09.800 (Comprehensive plan for character-building residential services in prisons—Establishment of oversight committee) and 2008 c 104 s 2 are each repealed.

Displaced Homemaker Program Statewide Advisory Committee

NEW SECTION. **Sec. 4.** RCW 28B.04.085 (Displaced homemaker program advisory committee) and 2004 c 275 s 32 & 1987 c 230 s 2 are each repealed.

Adult Family Home Advisory Committee

NEW SECTION. **Sec. 5.** RCW 70.128.225 (Advisory committee) and 2007 c 40 s 1 & 2002 c 223 s 4 are each repealed.

Sec. 6. RCW 70.128.163 and 2001 c 193 s 6 are each amended to read as follows:

(1) When the department has summarily suspended a license, the licensee may, subject to the department's approval, elect to participate in a temporary management program. All provisions of this section shall apply.

The purposes of a temporary management program are as follows:

(a) To mitigate dislocation and transfer trauma of residents while the department and licensee may pursue dispute resolution or appeal of a summary suspension of license;

(b) To facilitate the continuity of safe and appropriate resident care and services;

(c) To preserve a residential option that meets a specialized service need and/or is in a geographical area that has a lack of available providers; and

(d) To provide residents with the opportunity for orderly discharge.

(2) Licensee participation in the temporary management program is voluntary. The department shall have the discretion to approve any temporary manager and the temporary management arrangements. The temporary management shall assume the total responsibility for the daily operations of the home.

(3) The temporary management shall contract with the licensee as an independent contractor and is responsible for ensuring that all minimum licensing requirements are met. The temporary management shall protect the health, safety, and well-being of the residents for the duration of the temporary management and shall perform all acts reasonably necessary to ensure that residents' needs are met. The licensee is responsible for all costs related to administering the temporary management program and contracting with the temporary management. The temporary management agreement shall at a minimum address the following:

(a) Provision of liability insurance to protect residents and their property;

(b) Preservation of resident trust funds;

(c) The timely payment of past due or current accounts, operating expenses, including but not limited to staff compensation, and all debt that comes due during the period of the temporary management;

(d) The responsibilities for addressing all other financial obligations that would interfere with the ability of the temporary manager to provide adequate care and services to residents; and

(e) The authority of the temporary manager to manage the home, including the hiring, managing, and firing of employees for good cause, and to provide adequate care and services to residents.

(4) The licensee and department shall provide written notification immediately to all residents, legal representatives, interested family members, and the state long-term care ombudsman program, of the temporary management and the reasons for it. This notification shall include notice that residents may move from the home without notifying the licensee in advance, and without incurring any charges, fees, or costs otherwise available for insufficient advance notice, during the temporary management period.

(5) The temporary management period under this section concludes twenty-eight days after issuance of the formal notification of enforcement action or conclusion of administrative proceedings, whichever date is later. Nothing in this section precludes the department from revoking its approval of the temporary management and/or exercising its licensing enforcement authority under this chapter. The department's decision whether to approve or to revoke a temporary management arrangement is not subject to the administrative procedure act, chapter 34.05 RCW.

(6) The department is authorized to adopt rules implementing this section. In implementing this section, the department shall consult with consumers, advocates, ~~((the adult family home advisory committee established under chapter 18.48 RCW,))~~ and organizations representing adult family homes. The department may recruit and approve qualified, licensed providers interested in serving as temporary managers.

Boarding Home Advisory Board

NEW SECTION. **Sec. 7.** RCW 18.20.260 (Advisory board) and 2000 c 47 s 8 are each repealed.

Citizens' Work Group on Health Care Reform

NEW SECTION. **Sec. 8.** The following acts or parts of acts are each repealed:

2008 c 311 s 1 (uncodified);
2008 c 311 s 2 (uncodified);
2008 c 311 s 3 (uncodified); and
2008 c 311 s 4 (uncodified).

Model Toxic Control Act Science Advisory Board

NEW SECTION. **Sec. 9.** 1997 c 406 s 1 (uncodified) is repealed.

Sec. 10. RCW 70.105D.030 and 2007 c 446 s 1, 2007 c 225 s 1, and 2007 c 104 s 19 are each reenacted and amended to read as follows:

(1) The department may exercise the following powers in addition to any other powers granted by law:

(a) Investigate, provide for investigating, or require potentially liable persons to investigate any releases or threatened releases of hazardous substances, including but not limited to inspecting, sampling, or testing to determine the nature or extent of any release or threatened release. If there is a reasonable basis to believe that a release or threatened release of a hazardous substance may exist, the department's authorized employees, agents, or contractors may enter upon any property and conduct investigations. The department shall give reasonable notice before entering property unless an emergency prevents such notice. The department may by subpoena require the attendance or testimony of witnesses and the production of documents or other information that the department deems necessary;

(b) Conduct, provide for conducting, or require potentially liable persons to conduct remedial actions (including investigations under (a) of this subsection) to remedy releases or threatened releases of hazardous substances. In carrying out such powers, the department's authorized employees, agents, or contractors may enter upon property. The department shall give reasonable notice before entering property unless an emergency prevents such notice. In conducting, providing for, or requiring remedial action, the department shall give preference to permanent solutions to the maximum extent practicable and shall provide for or require adequate monitoring to ensure the effectiveness of the remedial action;

(c) Indemnify contractors retained by the department for carrying out investigations and remedial actions, but not for any contractor's reckless or willful misconduct;

(d) Carry out all state programs authorized under the federal cleanup law and the federal resource, conservation, and recovery act, 42 U.S.C. Sec. 6901 et seq., as amended;

(e) Classify substances as hazardous substances for purposes of RCW 70.105D.020 and classify substances and products as hazardous substances for purposes of RCW 82.21.020(1);

(f) Issue orders or enter into consent decrees or agreed orders that include, or issue written opinions under (i) of this subsection that may be conditioned upon, environmental covenants where necessary to protect human health and the environment from a release or threatened release of a hazardous substance from a facility. Prior to establishing an environmental covenant under this subsection, the department shall consult with and seek comment from a city or county department with land use planning authority for real property subject to the environmental covenant;

(g) Enforce the application of permanent and effective institutional controls that are necessary for a remedial action to be protective of human health and the environment and the notification requirements established in RCW 70.105D.110, and impose penalties for violations of that section consistent with RCW 70.105D.050;

(h) Require holders to conduct remedial actions necessary to abate an imminent or substantial endangerment pursuant to RCW 70.105D.020(17)(b)(ii)(C);

(i) Provide informal advice and assistance to persons regarding the administrative and technical requirements of this chapter. This may include site-specific advice to persons who are conducting or otherwise interested in independent remedial actions. Any such advice or assistance shall be advisory only, and shall not be binding on the department. As a part of providing this advice and assistance for independent remedial actions, the department may prepare written opinions regarding whether the independent remedial actions or proposals for those actions meet the substantive requirements of this chapter or whether the department believes further remedial action is necessary at the facility. Nothing in this chapter may be construed to preclude the department from issuing a written opinion on whether further remedial action is necessary at any portion of the real property located within a facility, even if further remedial action is still necessary elsewhere at the same facility. Such a written opinion on a portion of a facility must also provide an opinion on the status of the facility as a whole. The department may collect, from persons requesting advice and assistance, the costs incurred by the department in providing such advice and assistance; however, the department shall, where appropriate, waive collection of costs in order to provide an appropriate level of technical assistance in support of public participation. The state, the department, and officers and employees of the state are immune from all liability, and no cause of action of any nature may arise from any act or omission in providing, or failing to provide, informal advice and assistance; and

(j) Take any other actions necessary to carry out the provisions of this chapter, including the power to adopt rules under chapter 34.05 RCW.

(2) The department shall immediately implement all provisions of this chapter to the maximum extent practicable, including investigative and remedial actions where appropriate. The department shall adopt, and thereafter enforce, rules under chapter 34.05 RCW to:

(a) Provide for public participation, including at least (i) public notice of the development of investigative plans or remedial plans for releases or threatened

releases and (ii) concurrent public notice of all compliance orders, agreed orders, enforcement orders, or notices of violation;

(b) Establish a hazard ranking system for hazardous waste sites;

(c) Provide for requiring the reporting by an owner or operator of releases of hazardous substances to the environment that may be a threat to human health or the environment within ninety days of discovery, including such exemptions from reporting as the department deems appropriate, however this requirement shall not modify any existing requirements provided for under other laws;

(d) Establish reasonable deadlines not to exceed ninety days for initiating an investigation of a hazardous waste site after the department receives notice or otherwise receives information that the site may pose a threat to human health or the environment and other reasonable deadlines for remedying releases or threatened releases at the site;

(e) Publish and periodically update minimum cleanup standards for remedial actions at least as stringent as the cleanup standards under section 121 of the federal cleanup law, 42 U.S.C. Sec. 9621, and at least as stringent as all applicable state and federal laws, including health-based standards under state and federal law; and

(f) Apply industrial clean-up standards at industrial properties. Rules adopted under this subsection shall ensure that industrial properties cleaned up to industrial standards cannot be converted to nonindustrial uses without approval from the department. The department may require that a property cleaned up to industrial standards is cleaned up to a more stringent applicable standard as a condition of conversion to a nonindustrial use. Industrial clean-up standards may not be applied to industrial properties where hazardous substances remaining at the property after remedial action pose a threat to human health or the environment in adjacent nonindustrial areas.

(3) To achieve and protect the state's long-term ecological health, the department shall prioritize sufficient funding to clean up hazardous waste sites and prevent the creation of future hazards due to improper disposal of toxic wastes, and create financing tools to clean up large-scale hazardous waste sites requiring multiyear commitments. To effectively monitor toxic accounts expenditures, the department shall develop a comprehensive ten-year financing report that identifies long-term remedial action project costs, tracks expenses, and projects future needs.

(4) Before December 20th of each even-numbered year, the department shall:

(a) Develop a comprehensive ten-year financing report in coordination with all local governments with clean-up responsibilities that identifies the projected biennial hazardous waste site remedial action needs that are eligible for funding from the local toxics control account;

(b) Work with local governments to develop working capital reserves to be incorporated in the ten-year financing report;

(c) Identify the projected remedial action needs for orphaned, abandoned, and other clean-up sites that are eligible for funding from the state toxics control account;

(d) Project the remedial action need, cost, revenue, and any recommended working capital reserve estimate to the next biennium's long-term remedial action needs from both the local toxics control account and the state toxics

control account, and submit this information to the appropriate standing fiscal and environmental committees of the senate and house of representatives. This submittal must also include a ranked list of such remedial action projects for both accounts; and

(e) Provide the legislature and the public each year with an accounting of the department's activities supported by appropriations from the state and local toxics control accounts, including a list of known hazardous waste sites and their hazard rankings, actions taken and planned at each site, how the department is meeting its waste management priorities under RCW 70.105.150, and all funds expended under this chapter.

~~(5) ((The department shall establish a scientific advisory board to render advice to the department with respect to the hazard ranking system, cleanup standards, remedial actions, deadlines for remedial actions, monitoring, the classification of substances as hazardous substances for purposes of RCW 70.105D.020 and the classification of substances or products as hazardous substances for purposes of RCW 82.21.020(1). The board shall consist of five independent members to serve staggered three year terms. No members may be employees of the department. Members shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.~~

~~(6))~~ The department shall establish a program to identify potential hazardous waste sites and to encourage persons to provide information about hazardous waste sites.

~~((7))~~ (6) For all facilities where an environmental covenant has been required under subsection (1)(f) of this section, including all facilities where the department has required an environmental covenant under an order, agreed order, or consent decree, or as a condition of a written opinion issued under the authority of subsection (1)(i) of this section, the department shall periodically review the environmental covenant for effectiveness. Except as otherwise provided in (c) of this subsection, the department shall conduct a review at least once every five years after an environmental covenant is recorded.

(a) The review shall consist of, at a minimum:

(i) A review of the title of the real property subject to the environmental covenant to determine whether the environmental covenant was properly recorded and, if applicable, amended or terminated;

(ii) A physical inspection of the real property subject to the environmental covenant to determine compliance with the environmental covenant, including whether any development or redevelopment of the real property has violated the terms of the environmental covenant; and

(iii) A review of the effectiveness of the environmental covenant in limiting or prohibiting activities that may interfere with the integrity of the remedial action or that may result in exposure to or migration of hazardous substances. This shall include a review of available monitoring data.

(b) If an environmental covenant has been amended or terminated without proper authority, or if the terms of an environmental covenant have been violated, or if the environmental covenant is no longer effective in limiting or prohibiting activities that may interfere with the integrity of the remedial action or that may result in exposure to or migration of hazardous substances, then the department shall take any and all appropriate actions necessary to ensure

compliance with the environmental covenant and the policies and requirements of this chapter.

(c) For facilities where an environmental covenant required by the department under subsection (1)(f) of this section was required before July 1, 2007, the department shall:

(i) Enter all required information about the environmental covenant into the registry established under RCW 64.70.120 by June 30, 2008;

(ii) For those facilities where more than five years has elapsed since the environmental covenant was required and the department has yet to conduct a review, conduct an initial review according to the following schedule:

(A) By December 30, 2008, fifty facilities;

(B) By June 30, 2009, fifty additional facilities; and

(C) By June 30, 2010, the remainder of the facilities;

(iii) Once this initial review has been completed, conduct subsequent reviews at least once every five years.

Oil Heat Advisory Committee

Sec. 11. RCW 70.149.040 and 2007 c 240 s 1 are each amended to read as follows:

The director shall:

(1) Design a program, consistent with RCW 70.149.120, for providing pollution liability insurance for heating oil tanks that provides up to sixty thousand dollars per occurrence coverage and aggregate limits, and protects the state of Washington from unwanted or unanticipated liability for accidental release claims;

(2) Administer, implement, and enforce the provisions of this chapter. To assist in administration of the program, the director is authorized to appoint up to two employees who are exempt from the civil service law, chapter 41.06 RCW, and who shall serve at the pleasure of the director;

(3) Administer the heating oil pollution liability trust account, as established under RCW 70.149.070;

(4) Employ and discharge, at his or her discretion, agents, attorneys, consultants, companies, organizations, and employees as deemed necessary, and to prescribe their duties and powers, and fix their compensation;

(5) Adopt rules under chapter 34.05 RCW as necessary to carry out the provisions of this chapter;

(6) Design and from time to time revise a reinsurance contract providing coverage to an insurer or insurers meeting the requirements of this chapter. The director is authorized to provide reinsurance through the pollution liability insurance program trust account;

(7) Solicit bids from insurers and select an insurer to provide pollution liability insurance for third-party bodily injury and property damage, and corrective action to owners and operators of heating oil tanks;

(8) Register, and design a means of accounting for, operating heating oil tanks;

(9) Implement a program to provide advice and technical assistance to owners and operators of active and abandoned heating oil tanks if contamination from an active or abandoned heating oil tank is suspected. Advice and

assistance regarding administrative and technical requirements may include observation of testing or site assessment and review of the results of reports. If the director finds that contamination is not present or that the contamination is apparently minor and not a threat to human health or the environment, the director may provide written opinions and conclusions on the results of the investigation to owners and operators of active and abandoned heating oil tanks. The agency is authorized to collect, from persons requesting advice and assistance, the costs incurred by the agency in providing such advice and assistance. The costs may include travel costs and expenses associated with review of reports and preparation of written opinions and conclusions. Funds from cost reimbursement must be deposited in the heating oil pollution liability trust account. The state of Washington, the pollution liability insurance agency, and its officers and employees are immune from all liability, and no cause of action arises from any act or omission in providing, or failing to provide, such advice, opinion, conclusion, or assistance;

(10) Establish a public information program to provide information regarding liability, technical, and environmental requirements associated with active and abandoned heating oil tanks;

(11) Monitor agency expenditures and seek to minimize costs and maximize benefits to ensure responsible financial stewardship;

~~(12) ((Create an advisory committee of stakeholders to advise the director on all aspects of program operations and fees authorized by this chapter, including pollution prevention programs. The advisory committee must have one member each from the Pacific Northwest oil heat council, the Washington oil marketers association, the western states petroleum association, and the department of ecology and three members from among the owners of home heating oil tanks registered with the pollution liability insurance agency who are generally representative of the geographical distribution and types of registered owners. The committee should meet at least quarterly, or more frequently at the discretion of the director; and~~

~~(13))~~ Study if appropriate user fees to supplement program funding are necessary and develop recommendations for legislation to authorize such fees.

Parks Centennial Advisory Committee

Sec. 12. RCW 79A.75.900 and 2004 c 14 s 5 are each amended to read as follows:

This act expires ~~((December 31, 2013))~~ June 30, 2009.

Prescription Drug Purchasing Consortium Advisory Committee

Sec. 13. RCW 70.14.060 and 2005 c 129 s 1 are each amended to read as follows:

(1) The administrator of the state health care authority shall, directly or by contract, adopt policies necessary for establishment of a prescription drug purchasing consortium. The consortium's purchasing activities shall be based upon the evidence-based prescription drug program established under RCW 70.14.050. State purchased health care programs as defined in RCW 41.05.011 shall purchase prescription drugs through the consortium for those prescription drugs that are purchased directly by the state and those that are purchased

through reimbursement of pharmacies, unless exempted under this section. The administrator shall not require any supplemental rebate offered to the department of social and health services by a pharmaceutical manufacturer for prescription drugs purchased for medical assistance program clients under chapter 74.09 RCW be extended to any other state purchased health care program, or to any other individuals or entities participating in the consortium. The administrator shall explore joint purchasing opportunities with other states.

(2) Participation in the purchasing consortium shall be offered as an option beginning January 1, 2006. Participation in the consortium is purely voluntary for units of local government, private entities, labor organizations, and for individuals who lack or are underinsured for prescription drug coverage. The administrator may set reasonable fees, including enrollment fees, to cover administrative costs attributable to participation in the prescription drug consortium.

~~(3) ((The prescription drug consortium advisory committee is created within the authority. The function of the prescription drug advisory committee is to advise the administrator of the state health care authority on the implementation of the prescription drug purchasing consortium.~~

~~(4) The prescription drug consortium advisory committee shall be composed of eleven members selected as provided in this subsection.~~

~~(a) The administrator shall select one member of the prescription drug consortium advisory committee from each list of three nominees submitted by statewide organizations representing the following:~~

~~(i) One representative of state employees, who represents an employee union certified as exclusive representative of at least one bargaining unit of classified employees;~~

~~(ii) One member who is a licensed physician;~~

~~(iii) One member who is a licensed pharmacist;~~

~~(iv) One member who is a licensed advanced registered nurse practitioner;~~

~~(v) One member representing a health carrier licensed under Title 48 RCW;~~
and

~~(vi) One member representing unions that represent private sector employees;~~

~~(b) The administrator shall select two members of the advisory committee from a list of nominees submitted by statewide organizations representing consumers. One of the consumer members shall have knowledge or experience regarding senior citizen prescription drug cost and utilization issues;~~

~~(c) The administrator shall select two members of the advisory committee from a list of nominees submitted by statewide organizations representing business, one of whom shall represent small businesses who employ fifty or fewer employees and one of whom shall represent large businesses; and~~

~~(d) The administrator shall select one member who is versed in biologic medicine through research or academia from the University of Washington or Washington State University.~~

~~(5) The administrator shall consult with the advisory committee on at least a quarterly basis on significant policy decisions related to implementation of the purchasing consortium.~~

~~(6))) This section does not apply to state purchased health care services that are purchased from or through health carriers as defined in RCW 48.43.005, or~~

group model health maintenance organizations that are accredited by the national committee for quality assurance.

((7)) (4) The state health care authority is authorized to adopt rules implementing chapter 129, Laws of 2005.

((8)) (5) State purchased health care programs are exempt from the requirements of this section if they can demonstrate to the administrator that, as a result of the availability of federal programs or other purchasing arrangements, their other purchasing mechanisms will result in greater discounts and aggregate cost savings than would be realized through participation in the consortium.

Risk Management Advisory Committee

NEW SECTION. **Sec. 14.** RCW 4.92.230 (Risk management—Advisory committee created—Duties) and 2002 c 332 s 19 & 1989 c 419 s 7 are each repealed.

Sec. 15. RCW 4.92.130 and 2002 c 332 s 14 are each amended to read as follows:

A liability account in the custody of the treasurer is hereby created as a nonappropriated account to be used solely and exclusively for the payment of liability settlements and judgments against the state under 42 U.S.C. Sec. 1981 et seq. or for the tortious conduct of its officers, employees, and volunteers and all related legal defense costs.

(1) The purpose of the liability account is to: (a) Expeditiously pay legal liabilities and defense costs of the state resulting from tortious conduct; (b) promote risk control through a cost allocation system which recognizes agency loss experience, levels of self-retention, and levels of risk exposure; and (c) establish an actuarially sound system to pay incurred losses, within defined limits.

(2) The liability account shall be used to pay claims for injury and property damages and legal defense costs exclusive of agency-retained expenses otherwise budgeted.

(3) No money shall be paid from the liability account, except for defense costs, unless all proceeds available to the claimant from any valid and collectible liability insurance shall have been exhausted and unless:

(a) The claim shall have been reduced to final judgment in a court of competent jurisdiction; or

(b) The claim has been approved for payment.

(4) The liability account shall be financed through annual premiums assessed to state agencies, based on sound actuarial principles, and shall be for liability coverage in excess of agency-budgeted self-retention levels.

(5) Annual premium levels shall be determined by the risk manager(~~with the consultation and advice of the risk management advisory committee~~). An actuarial study shall be conducted to assist in determining the appropriate level of funding.

(6) Disbursements for claims from the liability account shall be made to the claimant, or to the clerk of the court for judgments, upon written request to the state treasurer from the risk manager.

(7) The director may direct agencies to transfer moneys from other funds and accounts to the liability account if premiums are delinquent.

(8) The liability account shall not exceed fifty percent of the actuarial value of the outstanding liability as determined annually by the risk management division. If the account exceeds the maximum amount specified in this section, premiums may be adjusted by the risk management division in order to maintain the account balance at the maximum limits. If, after adjustment of premiums, the account balance remains above the limits specified, the excess amount shall be prorated back to the appropriate funds.

Securities Advisory Committee

NEW SECTION. **Sec. 16.** The following acts or parts of acts are each repealed:

(1) RCW 21.20.550 (State advisory committee—Composition, appointment, qualifications) and 1973 1st ex.s. c 171 s 3 & 1959 c 282 s 55;

(2) RCW 21.20.560 (State advisory committee—Chairperson, secretary—Meetings) and 1979 ex.s. c 68 s 39, 1973 1st ex.s. c 171 s 4, & 1959 c 282 s 56;

(3) RCW 21.20.570 (State advisory committee—Terms—Vacancies) and 1959 c 282 s 57;

(4) RCW 21.20.580 (State advisory committee—Duties) and 1981 c 272 s 10, 1979 ex.s. c 68 s 40, & 1959 c 282 s 58; and

(5) RCW 21.20.590 (State advisory committee—Reimbursement of travel expenses) and 1981 c 272 s 11, 1975-'76 2nd ex.s. c 34 s 65, & 1959 c 282 s 59.

Radiologic Technologists Ad Hoc Committee

Sec. 17. RCW 18.84.040 and 2008 c 246 s 4 are each amended to read as follows:

(1) In addition to any other authority provided by law, the secretary may:

(a) Adopt rules, in accordance with chapter 34.05 RCW, necessary to implement this chapter;

(b) Set all registration, certification, and renewal fees in accordance with RCW 43.70.250;

(c) Establish forms and procedures necessary to administer this chapter;

(d) Evaluate and designate those schools from which graduation will be accepted as proof of an applicant's eligibility to receive a certificate;

(e) Determine whether alternative methods of training are equivalent to formal education, and to establish forms, procedures, and criteria for evaluation of an applicant's alternative training to determine the applicant's eligibility to receive a certificate;

(f) Issue a certificate to any applicant who has met the education, training, examination, and conduct requirements for certification; and

(g) Issue a registration to an applicant who meets the requirement for a registration.

(2) The secretary may hire clerical, administrative, and investigative staff as needed to implement this chapter.

(3) The uniform disciplinary act, chapter 18.130 RCW, governs the issuance and denial of registrations and certifications, unregistered and uncertified practice, and the discipline of registrants and certificants under this chapter. The secretary is the disciplining authority under this chapter.

~~((4) The secretary may appoint ad hoc members of the profession to serve in an ad hoc advisory capacity to the secretary in carrying out this chapter. The members will serve for designated times and provide advice on matters specifically identified and requested by the secretary. The members shall be compensated in accordance with RCW 43.03.220 and reimbursed for travel expenses under RCW 43.03.040 and 43.03.060.))~~

Sec. 18. RCW 18.84.070 and 1994 sp.s. c 9 s 507 are each amended to read as follows:

The secretary~~((; ad hoc committee members;))~~ or individuals acting on ~~((their))~~ his or her behalf are immune from suit in any civil action based on any certification or disciplinary proceedings or other official acts performed in the course of their duties.

Foster Care Endowed Scholarship Advisory Board

NEW SECTION. **Sec. 19.** RCW 28B.116.040 (Foster care endowed scholarship advisory board) and 2005 c 215 s 5 are each repealed.

Sec. 20. RCW 28B.116.020 and 2005 c 215 s 3 are each amended to read as follows:

(1) The foster care endowed scholarship program is created. The purpose of the program is to help students who were in foster care attend an institution of higher education in the state of Washington. The foster care endowed scholarship program shall be administered by the higher education coordinating board.

(2) In administering the program, the higher education coordinating board's powers and duties shall include but not be limited to:

- (a) Adopting necessary rules and guidelines; and
- (b) Administering the foster care endowed scholarship trust fund and the foster care scholarship endowment fund~~((; and~~
- (c) Establishing and assisting the foster care endowed scholarship advisory board in its duties as described in RCW 28B.116.040).

(3) In administering the program, the higher education coordinating board's powers and duties may include but not be limited to:

- (a) Working with the department of social and health services and the superintendent of public instruction to provide information about the foster care endowed scholarship program to children in foster care in the state of Washington and to students over the age of sixteen who could be eligible for this program;
- (b) Publicizing the program; and
- (c) Contracting with a private agency to perform outreach to the potentially eligible students.

Higher Education Coordinating Board—Work Study

Sec. 21. RCW 28B.12.040 and 1994 c 130 s 4 are each amended to read as follows:

~~((With the assistance of an advisory committee;))~~ The higher education coordinating board shall develop and administer the state work-study program. The board shall be authorized to enter into agreements with employers and

eligible institutions for the operation of the program. These agreements shall include such provisions as the higher education coordinating board may deem necessary or appropriate to carry out the purposes of this chapter.

~~((The members of the work study advisory committee may include, but need not be limited to representatives of public and private community colleges, technical colleges, and four year institutions of higher education; vocational schools; students; community service organizations; public schools; business; and labor. When selecting members of the advisory committee, the board shall consult with institutions of higher education, the state board for community and technical colleges, the workforce training and education coordinating board, and appropriate associations and organizations.))~~ With the exception of off-campus community service placements, the share from moneys disbursed under the state work-study program of the compensation of students employed under such program in accordance with such agreements shall not exceed eighty percent of the total such compensation paid such students.

By rule, the board shall define community service placements and may determine any salary matching requirements for any community service employees.

Sexual Offender Treatment Providers Advisory Committee

NEW SECTION. **Sec. 22.** RCW 18.155.050 (Sexual offender treatment providers advisory committee) and 1990 c 3 s 805 are each repealed.

Vendor Rates Advisory Committee

NEW SECTION. **Sec. 23.** The following acts or parts of acts are each repealed:

(1) RCW 74.32.100 (Advisory committee on vendor rates—Created—Members—Chairman) and 1971 ex.s. c 87 s 1 & 1969 ex.s. c 203 s 1;

(2) RCW 74.32.110 (Advisory committee on vendor rates—"Vendor rates" defined) and 1969 ex.s. c 203 s 2;

(3) RCW 74.32.120 (Advisory committee on vendor rates—Meetings—Travel expenses) and 1975-'76 2nd ex.s. c 34 s 170 & 1969 ex.s. c 203 s 3;

(4) RCW 74.32.130 (Advisory committee on vendor rates—Powers and duties) and 1971 ex.s. c 87 s 2 & 1969 ex.s. c 203 s 4;

(5) RCW 74.32.140 (Investigation to determine if additional requirements or standards affecting vendor group) and 1971 ex.s. c 298 s 1;

(6) RCW 74.32.150 (Investigation to determine if additional requirements or standards affecting vendor group—Scope of investigation) and 1971 ex.s. c 298 s 2;

(7) RCW 74.32.160 (Investigation to determine if additional requirements or standards affecting vendor group—Changes investigated regardless of source) and 1971 ex.s. c 298 s 3;

(8) RCW 74.32.170 (Investigation to determine if additional requirements or standards affecting vendor group—Prevailing wage scales and fringe benefit programs to be considered) and 1971 ex.s. c 298 s 4; and

(9) RCW 74.32.180 (Investigation to determine if additional requirements or standards affecting vendor group—Additional factors to be accounted for) and 1971 ex.s. c 298 s 5.

Organized Crime Advisory Board

NEW SECTION. **Sec. 24.** The following acts or parts of acts are each repealed:

(1) RCW 43.43.858 (Organized crime advisory board—Created—Membership—Meetings—Travel expenses) and 2000 c 38 s 1, 1987 c 65 s 1, 1980 c 146 s 14, 1975-'76 2nd ex.s. c 34 s 115, & 1973 1st ex.s. c 202 s 5;

(2) RCW 43.43.860 (Organized crime advisory board—Terms of members) and 1987 c 65 s 2, 1980 c 146 s 15, & 1973 1st ex.s. c 202 s 6;

(3) RCW 43.43.862 (Organized crime advisory board—Powers and duties) and 1973 1st ex.s. c 202 s 7;

(4) RCW 43.43.864 (Information to be furnished board—Security—Confidentiality) and 1973 1st ex.s. c 202 s 8;

(5) RCW 10.29.030 (Appointment of statewide special inquiry judge—Procedure—Term—Confidentiality) and 2005 c 274 s 204 & 1980 c 146 s 3;

(6) RCW 10.29.040 (Scope of investigation and proceeding—Request for additional authority) and 1980 c 146 s 4;

(7) RCW 10.29.080 (Special prosecutor—Selection—Qualifications—Removal) and 1980 c 146 s 8; and

(8) RCW 10.29.090 (Operating budget—Contents—Audit) and 2005 c 274 s 205 & 1980 c 146 s 9.

Sec. 25. RCW 43.43.866 and 1980 c 146 s 16 are each amended to read as follows:

There shall be a fund known as the organized crime prosecution revolving fund which shall consist of such moneys as may be appropriated by law. The state treasurer shall be custodian of the revolving fund. Disbursements from the revolving fund shall be subject to budget approval given by the ~~((organized crime advisory board pursuant to RCW 10.29.090))~~ chief of the Washington state patrol, and may be made either on authorization of the governor or the governor's designee, or upon request of ~~((a majority of the members of the organized crime advisory board))~~ the chief of the Washington state patrol. In order to maintain an effective expenditure and revenue control, the organized crime prosecution revolving fund shall be subject in all respects to chapter 43.88 RCW but no appropriation shall be required to permit expenditures and payment of obligations from the fund.

Sec. 26. RCW 43.10.240 and 1985 c 251 s 1 are each amended to read as follows:

The attorney general shall annually report to the ~~((organized crime advisory board))~~ chief of the Washington state patrol a summary of the attorney general's investigative and criminal prosecution activity conducted pursuant to this chapter. Except to the extent the summary describes information that is a matter of public record, the information made available to the ~~((board))~~ chief of the Washington state patrol shall be given all necessary security protection in accordance with the terms and provisions of applicable laws and rules and shall not be revealed or divulged publicly or privately ~~((by members of the board))~~.

Lieutenant Governor Appointments and Assignments

Sec. 27. RCW 43.15.020 and 2008 c 152 s 9 are each amended to read as follows:

The lieutenant governor serves as president of the senate and is responsible for making appointments to, and serving on, the committees and boards as set forth in this section.

- (1) The lieutenant governor serves on the following boards and committees:
- (a) Capitol furnishings preservation committee, RCW 27.48.040;
 - (b) Washington higher education facilities authority, RCW 28B.07.030;
 - (c) Productivity board, also known as the employee involvement and recognition board, RCW 41.60.015;

(d) State finance committee, RCW 43.33.010;

(e) State capitol committee, RCW 43.34.010;

(f) Washington health care facilities authority, RCW 70.37.030;

(g) State medal of merit nominating committee, RCW 1.40.020;

(h) Medal of valor committee, RCW 1.60.020; and

(i) Association of Washington generals, RCW 43.15.030.

(2) The lieutenant governor, and when serving as president of the senate, appoints members to the following boards and committees:

- ~~((a))~~ ~~((Organized crime advisory board, RCW 43.43.858;~~
- ~~((b))~~ Civil legal aid oversight committee, RCW 2.53.010;
- ~~((c))~~ ~~((b))~~ Office of public defense advisory committee, RCW 2.70.030;
- ~~((d))~~ ~~((c))~~ Washington state gambling commission, RCW 9.46.040;
- ~~((e))~~ ~~((d))~~ Sentencing guidelines commission, RCW 9.94A.860;
- ~~((f))~~ ~~((e))~~ State building code council, RCW 19.27.070;
- ~~((g))~~ ~~((f))~~ Women's history consortium board of advisors, RCW 27.34.365;
- ~~((h))~~ ~~((g))~~ Financial literacy public-private partnership, RCW 28A.300.450;
- ~~((i))~~ ~~((h))~~ Joint administrative rules review committee, RCW 34.05.610;
- ~~((j))~~ ~~((i))~~ Capital projects advisory review board, RCW 39.10.220;
- ~~((k))~~ ~~((j))~~ Select committee on pension policy, RCW 41.04.276;
- ~~((l))~~ ~~((k))~~ Legislative ethics board, RCW 42.52.310;
- ~~((m))~~ ~~((l))~~ Washington citizens' commission on salaries, RCW 43.03.305;
- ~~((n))~~ ~~((m))~~ Legislative oral history ~~((advisory))~~ committee, RCW ~~((43.07.230))~~ 44.04.325;
- ~~((o))~~ ~~((n))~~ State council on aging, RCW 43.20A.685;
- ~~((p))~~ ~~((o))~~ State investment board, RCW 43.33A.020;
- ~~((q))~~ ~~((p))~~ Capitol campus design advisory committee, RCW 43.34.080;
- ~~((r))~~ ~~((q))~~ Washington state arts commission, RCW 43.46.015;
- ~~((s))~~ ~~((r))~~ Information services board, RCW 43.105.032;
- ~~((t))~~ ~~((s))~~ K-20 educational network board, RCW 43.105.800;
- ~~((u))~~ ~~((t))~~ Municipal research council, RCW 43.110.010;
- ~~((v))~~ ~~((u))~~ Council for children and families, RCW 43.121.020;
- ~~((w))~~ ~~((v))~~ PNWER-Net working subgroup under chapter 43.147 RCW;
- ~~((x))~~ ~~((w))~~ Community economic revitalization board, RCW 43.160.030;
- ~~((y))~~ ~~((x))~~ Washington economic development finance authority, RCW 43.163.020;
- ~~((z))~~ ~~((y))~~ ~~Tourism development advisory committee, RCW 43.330.095;~~
- ~~((aa))~~ ~~((z))~~ (y) Life sciences discovery fund authority, RCW 43.350.020;

~~((bb))~~ (z) Legislative children's oversight committee, RCW 44.04.220;
~~((ee))~~ (aa) Joint legislative audit and review committee, RCW 44.28.010;
~~((dd))~~ (bb) Joint committee on energy supply and energy conservation, RCW 44.39.015;
~~((ee))~~ (cc) Legislative evaluation and accountability program committee, RCW 44.48.010;
~~((ff))~~ (dd) Agency council on coordinated transportation, RCW 47.06B.020;
~~((gg))~~ (ee) Manufactured housing task force, RCW 59.22.090;
~~((hh))~~ (ff) Washington horse racing commission, RCW 67.16.014;
~~((ii))~~ (gg) Correctional industries board of directors, RCW 72.09.080;
~~((jj))~~ (hh) Joint committee on veterans' and military affairs, RCW 73.04.150;
~~((kk)~~ Washington state parks centennial advisory committee, RCW 79A.75.010;
~~(ll)~~ Puget Sound council, RCW 90.71.030;
~~((mm))~~ (ii) Joint legislative committee on water supply during drought, RCW 90.86.020;
~~((nn))~~ (jj) Statute law committee, RCW 1.08.001; and
~~((oo))~~ (kk) Joint legislative oversight committee on trade policy, RCW 44.55.020.

NEW SECTION. Sec. 28. (1) All documents and papers, equipment, or other tangible property in the possession of the terminated entity shall be delivered to the custody of the entity assuming the responsibilities of the terminated entity or if such responsibilities have been eliminated, documents and papers shall be delivered to the state archivist and equipment or other tangible property to the department of general administration.

(2) All funds held by, or other moneys due to, the terminated entity shall revert to the fund from which they were appropriated, or if that fund is abolished to the general fund.

(3) All contractual rights and duties of an entity shall be assigned or delegated to the entity assuming the responsibilities of the terminated entity, or if there is none to such entity as the governor shall direct.

NEW SECTION. Sec. 29. Subheadings used in this act are not any part of the law.

NEW SECTION. Sec. 30. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect June 30, 2009.

Passed by the Senate April 26, 2009.

Passed by the House April 26, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 561

[Substitute Senate Bill 6161]

PENSION SYSTEMS—ACTUARIAL FUNDING

AN ACT Relating to actuarial funding of pension systems; amending RCW 41.45.010, 41.45.035, 41.45.060, 41.45.070, 41.45.150, and 41.45.155; reenacting and amending RCW 41.45.0631; adding a new section to chapter 41.45 RCW; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.45.010 and 2005 c 370 s 4 are each amended to read as follows:

It is the intent of the legislature to provide a dependable and systematic process for funding the benefits provided to members and retirees of the public employees' retirement system, chapter 41.40 RCW; the teachers' retirement system, chapter 41.32 RCW; the law enforcement officers' and firefighters' retirement systems, chapter 41.26 RCW; the school employees' retirement system, chapter 41.35 RCW; the public safety employees' retirement system, chapter 41.37 RCW; and the Washington state patrol retirement system, chapter 43.43 RCW.

~~((The legislature finds that the funding status of the state retirement systems has improved dramatically since 1989. Because of the big reduction in unfunded pension liabilities, it is now prudent to adjust the long-term economic assumptions that are used in the actuarial studies conducted by the state actuary. The legislature finds that it is reasonable to increase the salary growth assumption in light of Initiative Measure No. 732, to increase the investment return assumption in light of the asset allocation policies and historical returns of the state investment board, and to reestablish June 30, 2024, as the target date to achieve full funding of all liabilities in the public employees' retirement system plan 1, the teachers' retirement system plan 1, and the law enforcement officers' and firefighters' retirement system plan 1.))~~

The funding process established by this chapter is intended to achieve the following goals:

(1) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the school employees' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the law enforcement officers' and firefighters' retirement system plan 2 as provided by law;

(2) To fully amortize the total costs of ~~((the public employees' retirement system plan 1, the teachers' retirement system plan 1, and))~~ the law enforcement officers' and firefighters' retirement system plan 1, not later than June 30, 2024;

(3) To fully amortize the unfunded actuarial accrued liability in the public employees' retirement system plan 1 and the teachers' retirement system plan 1 within a rolling ten-year period, using methods and assumptions that balance needs for increased benefit security, decreased contribution rate volatility, and affordability of pension contribution rates;

(4) To establish long-term employer contribution rates which will remain a relatively predictable proportion of the future state budgets; and

~~((4))~~ (5) To fund, to the extent feasible, ~~((benefit increases for plan 1 members and))~~ all benefits for plan 2 and 3 members over the working lives of

those members so that the cost of those benefits are paid by the taxpayers who receive the benefit of those members' service.

Sec. 2. RCW 41.45.035 and 2004 c 93 s 2 are each amended to read as follows:

(1) Beginning July 1, 2001, the following long-term economic assumptions shall be used by the state actuary for the purposes of RCW 41.45.030:

(a) The growth in inflation assumption shall be 3.5 percent;
 (b) The growth in salaries assumption, exclusive of merit or longevity increases, shall be 4.5 percent;

(c) The investment rate of return assumption shall be 8 percent; and

(d) The growth in system membership assumption shall be 1.25 percent for the public employees' retirement system, the public safety employees' retirement system, the school employees' retirement system, and the law enforcement officers' and firefighters' retirement system. The assumption shall be .90 percent for the teachers' retirement system.

(2) Beginning July 1, 2009, the growth in salaries assumption for the public employees' retirement system, the public safety employees' retirement system, the teachers' retirement system, the school employees' retirement system, plan 1 of the law enforcement officers' and firefighters' retirement system, and the Washington state patrol retirement system, exclusive of merit or longevity increases, shall be the sum of:

(a) The growth in inflation assumption in subsection (1)(a) of this section;
and

(b) The productivity growth assumption of 0.5 percent.

(3)(a) Beginning with actuarial studies done after July 1, 2003, changes to plan asset values that vary from the long-term investment rate of return assumption shall be recognized in the actuarial value of assets over a period that varies up to eight years depending on the magnitude of the deviation of each year's investment rate of return relative to the long-term rate of return assumption. Beginning with actuarial studies performed after July 1, 2004, the actuarial value of assets shall not be greater than one hundred thirty percent of the market value of assets as of the valuation date or less than seventy percent of the market value of assets as of the valuation date. Beginning April 1, 2004, the council, by affirmative vote of four councilmembers, may adopt changes to this asset value smoothing technique. Any changes adopted by the council shall be subject to revision by the legislature.

(b) The state actuary shall periodically review the appropriateness of the asset smoothing method in this section and recommend changes to the ~~((legislature))~~ council as necessary. Any changes adopted by the council shall be subject to revision by the legislature.

Sec. 3. RCW 41.45.060 and 2007 c 280 s 2 are each amended to read as follows:

(1) The state actuary shall provide preliminary actuarial valuation results based on the economic assumptions and asset value smoothing technique included in RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035.

(2) Not later than July 31, 2008, and every two years thereafter, consistent with the economic assumptions and asset value smoothing technique included in

RCW 41.45.035 or adopted under RCW 41.45.030 or 41.45.035, the council shall adopt and may make changes to:

(a) A basic state contribution rate for the law enforcement officers' and firefighters' retirement system plan 1;

(b) Basic employer contribution rates for the public employees' retirement system, the teachers' retirement system, and the Washington state patrol retirement system; and

(c) Basic employer contribution rates for the school employees' retirement system and the public safety employees' retirement system for funding both those systems and the public employees' retirement system plan 1.

The council may adopt annual rate changes for any plan for any rate-setting period. The contribution rates adopted by the council shall be subject to revision by the legislature.

(3) The employer and state contribution rates adopted by the council shall be the level percentages of pay that are needed:

(a) To fully amortize the total costs of ~~((the public employees' retirement system plan 1, the teachers' retirement system plan 1, and))~~ the law enforcement officers' and firefighters' retirement system plan 1 not later than June 30, 2024; ~~((and))~~

(b) To fully fund the public employees' retirement system plans 2 and 3, the teachers' retirement system plans 2 and 3, the public safety employees' retirement system plan 2, and the school employees' retirement system plans 2 and 3 in accordance with RCW 41.45.061, 41.45.067, and this section; and

(c) To fully fund the public employees' retirement system plan 1 and the teachers' retirement system plan 1 in accordance with RCW 41.45.070, 41.45.150, and this section.

(4) The aggregate actuarial cost method shall be used to calculate a combined plan 2 and 3 ~~((employer contribution rate and))~~ normal cost, a Washington state patrol retirement system ~~((contribution rate))~~ normal cost, and a public safety employees' retirement system normal cost.

(5) A modified entry age normal cost method, as set forth in this chapter, shall be used to calculate employer contributions to the public employees' retirement system plan 1 and the teachers' retirement system plan 1.

(6) The employer contribution rate for the public employees' retirement system and the school employees' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) The amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed ten-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and

are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(7) The employer contribution rate for the public safety employees' retirement system shall equal the sum of:

(a) The amount required to pay the normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) The amounts required to amortize the costs of any benefit improvements in plan 1 of the public employees' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed ten-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

(8) The employer contribution rate for the teachers' retirement system shall equal the sum of:

(a) The amount required to pay the combined plan 2 and plan 3 normal cost for the system, subject to any minimum rates applied pursuant to RCW 41.45.155; plus

(b) The amount required to amortize the unfunded actuarial accrued liability in plan 1 of the teachers' retirement system over a rolling ten-year period using projected future salary growth and growth in system membership, and subject to any minimum or maximum rates applied pursuant to RCW 41.45.150; plus

(c) The amounts required to amortize the costs of any benefit improvements in plan 1 of the teachers' retirement system that become effective after June 30, 2009. The cost of each benefit improvement shall be amortized over a fixed ten-year period using projected future salary growth and growth in system membership. The amounts required under this subsection are not subject to, and are collected in addition to, any minimum or maximum rates applied pursuant to RCW 41.45.150.

~~((5))~~ (9) The council shall immediately notify the directors of the office of financial management and department of retirement systems of the state and employer contribution rates adopted. The rates shall be effective for the ensuing biennial period, subject to any legislative modifications.

~~((6))~~ (10) The director shall collect those rates adopted by the council. The rates established in RCW 41.45.062, or by the council, shall be subject to revision by the legislature.

~~((7))~~ (11) The state actuary shall prepare final actuarial valuation results based on the economic assumptions, asset value smoothing technique, and contribution rates included in or adopted under RCW 41.45.030, 41.45.035, and this section.

Sec. 4. RCW 41.45.070 and 2007 c 491 s 12 are each amended to read as follows:

(1) In addition to the basic employer contribution rate established in RCW 41.45.060 or 41.45.054, the department shall also charge employers of public

employees' retirement system, teachers' retirement system, school employees' retirement system, public safety employees' retirement system, or Washington state patrol retirement system members an additional supplemental rate to pay for the cost of additional benefits, if any, granted to members of those systems. Except as provided in subsections (6), (7), and (9) of this section, the supplemental contribution rates required by this section shall be calculated by the state actuary and shall be charged regardless of language to the contrary contained in the statute which authorizes additional benefits.

(2) In addition to the basic member, employer, and state contribution rate established in RCW 41.45.0604 for the law enforcement officers' and firefighters' retirement system plan 2, the department shall also establish supplemental rates to pay for the cost of additional benefits, if any, granted to members of the law enforcement officers' and firefighters' retirement system plan 2. Except as provided in subsection (6) of this section, these supplemental rates shall be calculated by the actuary retained by the law enforcement officers' and firefighters' board and the state actuary through the process provided in RCW 41.26.720(1)(a) and the state treasurer shall transfer the additional required contributions regardless of language to the contrary contained in the statute which authorizes the additional benefits.

(3) Beginning July 1, 2009, the supplemental rate charged under this section to fund benefit increases provided to active members of the public employees' retirement system plan 1((;)) and the teachers' retirement system plan 1((; and Washington state patrol retirement system;)) shall be calculated as the level percentage of all ((members')) system pay needed to fund the cost of the benefit ((not later than June 30, 2024)) over a fixed ten-year period, using projected future salary growth and growth in system membership. The supplemental rate to fund benefit increases provided to active members of the public employees' retirement system plan 1 shall be charged to all system employers in the public employees' retirement system, the school employees' retirement system, and the public safety employees' retirement system. The supplemental rate to fund benefit increases provided to active members of the teachers' retirement system plan 1 shall be charged to all system employers in the teachers' retirement system.

(4) The supplemental rate charged under this section to fund benefit increases provided to active and retired members of the public employees' retirement system plan 2 and plan 3, the teachers' retirement system plan 2 and plan 3, the public safety employees' retirement system plan 2, ((or)) the school employees' retirement system plan 2 and plan 3, or the Washington state patrol retirement system shall be calculated as the level percentage of all members' pay needed to fund the cost of the benefit, as calculated under RCW 41.45.060, 41.45.061, 41.45.0631, or 41.45.067.

(5) The supplemental rate charged under this section to fund postretirement adjustments which are provided on a nonautomatic basis to current retirees shall be calculated as the percentage of pay needed to fund the adjustments as they are paid to the retirees. Beginning July 1, 2009, the supplemental rate charged under this section to fund increases in the automatic postretirement adjustments for active or retired members of the public employees' retirement system plan 1 and the teachers' retirement system plan 1 shall be calculated as the level percentage of pay needed to fund the cost of the automatic adjustments ((not later than June

30, 2024)) over a fixed ten-year period, using projected future salary growth and growth in system membership. The supplemental rate to fund increases in the automatic postretirement adjustments for active members or retired members of the public employees' retirement system plan 1 shall be charged to all system employers in the public employees' retirement system, the school employees' retirement system, and the public safety employees' retirement system. The supplemental rate to fund increases in automatic postretirement adjustments for active members or retired members of the teachers' retirement system plan 1 shall be charged to all system employers in the teachers' retirement system.

(6) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 340, Laws of 1998.

(7) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members pursuant to chapter 41.31A RCW; section 309, chapter 341, Laws of 1998; or section 701, chapter 341, Laws of 1998.

(8) A supplemental rate shall not be charged to pay for the cost of additional benefits granted to members and survivors pursuant to chapter 94, Laws of 2006.

(9) A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the teachers' retirement system and the school employees' retirement system plans 2 and 3 in sections 2, 4, 6, and 8, chapter 491, Laws of 2007 until September 1, 2008. A supplemental rate shall not be charged to pay for the cost of the additional benefits granted to members of the public employees' retirement system plans 2 and 3 under sections 9 and 10, chapter 491, Laws of 2007 until July 1, 2008.

Sec. 5. RCW 41.45.150 and 2006 c 365 s 2 are each amended to read as follows:

(1) Beginning July 1, 2009, and ending June 30, 2015, maximum annual contribution rates are established for the portion of the employer contribution rate for the public employees' retirement system and the public safety employees' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. The maximum rates are:

Fiscal Year ending:

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>1.25%</u>	<u>1.25%</u>	<u>3.75%</u>	<u>4.50%</u>	<u>5.25%</u>	<u>6.00%</u>

(2) Beginning September 1, 2009, and ending August 31, 2015, maximum annual contribution rates are established for the portion of the employer contribution rate for the school employees' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. The maximum rates are:

Fiscal Year ending:

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>1.25%</u>	<u>1.25%</u>	<u>3.75%</u>	<u>4.50%</u>	<u>5.25%</u>	<u>6.00%</u>

(3) Beginning September 1, 2009, and ending August 31, 2015, maximum annual contribution rates are established for the portion of the employer contribution rate for the teachers' retirement system that is used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the teachers' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. The maximum rates are:

Fiscal Year ending:

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>2.04%</u>	<u>2.04%</u>	<u>6.50%</u>	<u>7.50%</u>	<u>8.50%</u>	<u>9.50%</u>

(4) Beginning July 1, ((2009)) 2015, a minimum ((2.68)) 5.25 percent contribution is established as part of the basic ((state and)) employer contribution rate for the public employees' retirement system and the public safety employees' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall remain effective until the actuarial value of assets in plan 1 of the public employees' retirement system equals one hundred twenty-five percent of the actuarial accrued liability ((or June 30, 2024, whichever comes first)).

((2)) (5) Beginning September 1, ((2009)) 2015, a minimum ((2.68)) 5.25 percent contribution is established as part of the basic ((state and)) employer contribution rate for the school employees' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the public employees' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall remain effective until the actuarial value of assets in plan 1 of the public employees' retirement system equals one hundred ((twenty five)) percent of the actuarial accrued liability ((or June 30, 2024, whichever comes first)).

((3)) (6) Beginning September 1, ((2009)) 2015, a minimum ((4.71)) 8.00 percent contribution is established as part of the basic ((state and)) employer contribution rate for the teachers' retirement system, to be used for the sole purpose of amortizing that portion of the unfunded actuarial accrued liability in the teachers' retirement system plan 1 that excludes any amounts required to amortize plan 1 benefit improvements effective after June 30, 2009. This minimum contribution rate shall remain effective until the actuarial value of assets in plan 1 of the teachers' retirement system equals one hundred ((twenty five)) percent of the actuarial accrued liability ((or June 30, 2024, whichever comes first)).

((4)) (7) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of ((these)) the minimum contribution rates and recommend to the ((legislature)) council any adjustments as may be needed due to material changes in benefits or actuarial assumptions, methods, or experience. Any changes adopted by the council shall be subject to revision by the legislature.

Sec. 6. RCW 41.45.155 and 2006 c 365 s 3 are each amended to read as follows:

(1) Beginning July 1, ~~((2009))~~ 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic ~~((state and))~~ employer contribution rate for the public employees' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

(2) Beginning July 1, 2011, a minimum contribution rate is established for the plan 2 normal cost as part of the basic employer contribution rate for the public safety employees' retirement system. The minimum contribution rate for the plan 2 normal cost shall equal the total contribution rate required to fund eighty percent of the plan 2 normal cost as calculated under the entry age normal cost method.

(3) Beginning September 1, ~~((2009))~~ 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic ~~((state and))~~ employer contribution rate for the school employees' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

~~((3))~~ (4) Beginning September 1, ~~((2009))~~ 2011, a minimum contribution rate is established for the plans 2 and 3 normal cost as part of the basic ~~((state and))~~ employer contribution rate for the teachers' retirement system. The minimum contribution rate for the plans 2 and 3 employer normal cost shall equal the total contribution rate required to fund eighty percent of the plans 2 and 3 employer normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize past gain-sharing distributions in plan 3.

~~((4))~~ (5) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of these minimum contribution rates and recommend to the ~~((legislature))~~ council any adjustments as may be needed due to material changes in benefits or actuarial assumptions, methods, or experience. Any changes adopted by the council shall be subject to revision by the legislature.

Sec. 7. RCW 41.45.0631 and 2007 c 300 s 1 and 2007 c 280 s 5 are each reenacted and amended to read as follows:

(1) The allocation of costs between the employer and members of the Washington state patrol retirement system shall be made only after the application of any minimum total contribution rate that may be in effect for the system under subsection (4) of this section. For benefit improvements effective on or after July 1, 2007, costs shall be shared equally by members and the employer, and any cap on member contributions shall be adjusted accordingly.

The member contribution rate shall be based on the adjusted total contribution rate described in subsection (2) of this section. Beginning July 1, 2007, the required member contribution rate for members of the Washington state patrol retirement system shall be the lesser of the following: (a) One-half of the adjusted total contribution rate for the system; or (b) seven percent, plus fifty percent of the contribution rate increase caused by any benefit improvements effective on or after July 1, 2007.

(2) The employer shall continue to pay for all costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006, until such costs are fully paid. In order to avoid charging members for these costs, the total required contribution rate shall be adjusted to exclude these costs. The result of the adjustment shall be the adjusted total contribution rate that is to be used to calculate the required member contribution rate.

(3) The employer rate shall be the contribution rate required to cover all total system costs that are not covered by the member contribution rate.

(4) Beginning July 1, 2009, a minimum total contribution rate is established for the Washington state patrol retirement system. The total Washington state patrol retirement system contribution rate (~~((as adopted by the pension funding council and subject to revision by the legislature))~~) may exceed, but may not drop below, the established minimum total contribution rate. From July 1, 2009, through June 30, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund fifty percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. Beginning July 1, 2011, the minimum total contribution rate shall equal the total contribution rate required to fund seventy percent of the Washington state patrol retirement system's normal cost as calculated under the entry age normal cost method. This minimum rate, when applicable, shall be collected in addition to any contribution rate required to amortize any unfunded costs attributable to distributions under RCW 43.43.270(2) for survivors of members who became disabled under RCW 43.43.040(2) prior to July 1, 2006.

(5) Upon completion of each biennial actuarial valuation, the state actuary shall review the appropriateness of this minimum total contribution rate and recommend to the (~~legislature~~) council any adjustments as may be needed. Any changes adopted by the council shall be subject to revision by the legislature.

NEW SECTION. Sec. 8. A new section is added to chapter 41.45 RCW to read as follows, but because of its temporary nature is not codified:

The legislature hereby revises the contribution rates adopted by the council at its July 22, 2008, meeting to exclude assumed improvements for projected mortality, and to implement the changes in RCW 41.45.010, 41.45.035, 41.45.060, 41.45.070, 41.45.150, 41.45.155, and 41.45.0631, resulting in the following required contribution rates:

(1) Beginning July 1, 2009, and ending June 30, 2011, the required basic employer contribution rate for the public employees' retirement system shall be 5.13 percent, of which 1.13 percent shall be used for the sole purpose of amortizing the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system.

(2) Beginning July 1, 2009, and ending June 30, 2011, the required basic employer contribution rate for the public safety employees' retirement system shall be 7.68 percent, of which 1.13 percent shall be used for the sole purpose of amortizing the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system.

(3) Beginning September 1, 2009, and ending August 31, 2011, the required basic employer contribution rate for the teachers' retirement system shall be 5.98 percent, of which 1.85 percent shall be used for the sole purpose of amortizing the unfunded actuarial accrued liability in plan 1 of the teachers' retirement system.

(4) Beginning September 1, 2009, and ending August 31, 2011, the required basic employer contribution rate for the school employees' retirement system shall be 5.27 percent, of which 1.13 percent shall be used for the sole purpose of amortizing the unfunded actuarial accrued liability in plan 1 of the public employees' retirement system.

(5) Beginning July 1, 2009, and ending June 30, 2011, the required basic employer contribution rate for plan 1 of the law enforcement officers' and firefighters' retirement system shall be 0.00 percent.

(6) Beginning July 1, 2009, and ending June 30, 2011, the required basic employer contribution rate for the Washington state patrol retirement system shall be 6.17 percent.

(7) Beginning July 1, 2009, and ending June 30, 2011, the required plan 2 member contribution rate for the public employees' retirement system shall be 3.89 percent.

(8) Beginning July 1, 2009, and ending June 30, 2011, the required plan 2 member contribution rate for the public safety employees' retirement system shall be 6.55 percent.

(9) Beginning September 1, 2009, and ending August 31, 2011, the required plan 2 member contribution rate for the teachers' retirement system shall be 3.36 percent.

(10) Beginning September 1, 2009, and ending August 31, 2011, the required plan 2 member contribution rate for the school employees' retirement system shall be 3.14 percent.

(11) Beginning July 1, 2009, and ending June 30, 2011, the required member contribution rate for plan 1 of the law enforcement officers' and firefighters' retirement system shall be 0.00 percent.

(12) Beginning July 1, 2009, and ending June 30, 2011, the required member contribution rate for the Washington state patrol retirement system shall be 4.85 percent.

NEW SECTION. Sec. 9. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the Senate April 26, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 562

[Engrossed Substitute Senate Bill 6169]

DEPARTMENT OF REVENUE—TAX COLLECTION TOOLS

AN ACT Relating to enhancing tax collection tools for the department of revenue in order to promote fairness and administrative efficiency; amending RCW 82.32.235; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 82.32.235 and 1987 c 208 s 1 are each amended to read as follows:

(1) In addition to the remedies provided in this chapter the department is ~~((hereby))~~ authorized to issue to any person ~~((, or to any political subdivision or department of the state))~~, a notice and order to withhold and deliver property of any kind whatsoever when there is reason to believe that there is in the possession of such person ~~((, political subdivision or department))~~, property which is or ~~((shall))~~ will become due, owing, or belonging to any taxpayer against whom a warrant has been filed.

(2) The ~~((notice and order to withhold and deliver shall be served by the))~~ sheriff of the county ~~((wherein))~~ where the service is made, or ~~((by))~~ his or her deputy, or ~~((by))~~ any duly authorized representative of the department ~~((, provided that service by such persons may also be made))~~ may personally serve the notice and order to withhold and deliver upon the person to whom it is directed or may do so by certified mail, with return receipt requested ~~((, upon those persons, or political subdivision or department, to whom the notice and order to withhold and deliver is directed. Any person, or any political subdivision or department upon whom service has been made is hereby required to answer the notice within twenty days exclusive of the day of service, under oath and in writing, and shall make true answers to the matters inquired of in the notice))~~.

(3)(a) The department is authorized to issue a notice and order to withhold and deliver to any financial institution in the form of a listing of all or a portion of the unsatisfied tax warrants filed under this chapter with the clerk of the superior court of a county of the state, except tax warrants subject to a payment agreement, which is not in default, between the department and the taxpayer.

(b) As an alternative to the methods of service in subsection (2) of this section, the department may serve the notice and order to withhold and deliver authorized under this subsection electronically. The remedy in this subsection (3) is in addition to any other remedies authorized by law.

(c) No more than one notice and order to withhold and deliver under this subsection (3) may be served on the same financial institution in a calendar month.

(d) Notice and order to withhold and deliver under this subsection (3) must include the federal taxpayer identification number of each taxpayer.

(e) For purposes of this subsection, "financial institution" means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business and accept deposits in this state under state or federal law.

(f) The department may provide a financial institution relief from a notice and order to withhold and deliver in the form provided under this subsection (3) upon the request of the financial institution. The department must consider the

size, customer base, and geographic location of the financial institution when considering whether to provide relief. The department must serve any financial institution so relieved under subsection (1) of this section.

(4) Any person who has been served with a notice and order to withhold and deliver under subsection (1) of this section must answer the notice within twenty days, exclusive of the day of service. Any person who has been served with a notice and order to withhold and deliver under subsection (3) of this section must answer the notice within thirty days, exclusive of the day of service. The answer must be in writing, under oath if required by the department, and include true answers to the matters inquired of in the notice. Any person served under subsection (3) of this section may answer in aggregate within thirty days, but must answer separately as to each taxpayer listed and specify any property by taxpayer which is delivered. The department must allow any person served electronically under subsection (3) of this section to answer the notice and order to withhold and deliver electronically in a format provided or approved by the department.

(5) In the event there is in the possession of any ~~((such))~~ person ~~((or political subdivision or department))~~ served with a notice and order to withhold and deliver, any property which may be subject to the claim of the department, such property ~~((shall))~~ must be delivered ~~((forthwith))~~ immediately to the department of revenue or its duly authorized representative upon demand ~~((to be held in trust by))~~. The department must hold the property in trust for application on the indebtedness involved or for return, without interest, in accordance with final determination of liability or nonliability ~~((or in the alternative, there shall be furnished a good and sufficient))~~. Instead of delivering the property to the department or the department's duly authorized representative, the person may furnish a bond satisfactory to the department conditioned upon final determination of liability.

(6) Should any person ~~((or political subdivision))~~, having been served with a notice and order to withhold and deliver, fail to ~~((make))~~ answer ~~((to an))~~ the notice and order to withhold and deliver within the time prescribed ~~((herein, it shall be lawful for the court, after the time to answer such order has expired, to))~~ in this section or otherwise fail to comply with the duties imposed in this section, the department may bring a proceeding, in the superior court of Thurston county or of the county in which service of the notice was made, to enforce the notice and order to withhold and deliver. The court may render judgment by default against such person ~~((or political subdivision))~~ for the full amount claimed by the department in the notice and order to withhold and deliver or may grant such other relief as the court deems just, together with costs.

(7) For purposes of this section, "person" has the same meaning as in RCW 82.04.030 and also includes any agency, department, or institution of the state.

NEW SECTION. Sec. 2. (1) The legislature finds that the state's vital interest in collecting lawfully due taxes must be balanced against the burden of complying with section 1(3) of this act, particularly for small financial institutions.

(2)(a) Therefore, the legislature directs the department of revenue to work with interested financial institutions to develop policies regarding the frequency of service under section 1(3) of this act and under what circumstances a notice and order to withhold and deliver will contain only a partial list of unsatisfied tax

warrants eligible to be included in the notice. The policies should take into account the size of a financial institution, location of a financial institution, number of business accounts that a financial institution has, and any other factors the department may choose to consider.

(b) The department is also directed to develop a policy regarding the information to be contained in a notice and order to withhold and deliver to ensure that financial institutions can accurately match their records with the names of tax debtors.

(3) The department must report to the fiscal committees of the legislature on the implementation of section 1(3) of this act by January 1, 2012. The report should describe the policies developed by the department as directed in subsection (2) of this section. The report should also describe any difficulties the department encountered in implementing section 1(3) of this act and any suggestions the department may have to improve the effectiveness of section 1(3) of this act, reduce the burden on financial institutions in complying with section 1(3) of this act, or both.

Passed by the Senate April 19, 2009.

Passed by the House April 23, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 563

[Senate Bill 6173]

SALES TAX COMPLIANCE

AN ACT Relating to improving sales tax compliance; amending RCW 82.04.470, 82.08.050, 82.08.130, 82.14B.042, 82.14B.200, 82.32.087, 82.32.290, 82.32.291, 82.32.330, 82.72.040, and 82.72.070; reenacting and amending RCW 82.04.050; adding new sections to chapter 82.32 RCW; creating new sections; prescribing penalties; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

PART I FINDING AND INTENT

NEW SECTION. Sec. 101. The legislature finds that the department of revenue's 2008 compliance study estimates that sales tax noncompliance exceeds well over one hundred million dollars annually in unpaid state and local sales and use taxes.

The legislature intends to address this significant problem by eliminating the use of resale certificates to document wholesale purchases. Resale certificates will be replaced with seller's permits, which will be issued by the department of revenue only to those businesses that make wholesale purchases, such as retailers, wholesalers, manufacturers, and qualified contractors. Businesses that do not make wholesale purchases, such as most service businesses, will not be entitled to a seller's permit.

PART II
REPLACING RESALE CERTIFICATES WITH SELLER'S PERMITS
ISSUED BY THE DEPARTMENT OF REVENUE

NEW SECTION. **Sec. 201.** A new section is added to chapter 82.32 RCW to read as follows:

(1) Taxpayers seeking a new seller's permit or to renew or reinstate a seller's permit, other than taxpayers subject to the provisions of section 202 of this act, must apply to the department in a form and manner prescribed by the department. The department must rule on applications within sixty days of receiving a complete application. An application must be denied if the department determines that, based on the nature of the applicant's business, the applicant is not entitled to make purchases at wholesale or is otherwise prohibited from using a seller's permit. The department may also deny an application if it determines that denial would be in the best interest of collecting taxes due under this title. The department's decision whether to approve or deny an application may be based on tax returns previously filed with the department by the applicant, a current or previous examination of the applicant's books and records by the department, information provided by the applicant in the master application and the seller's permit application, and other information available to the department.

(2) Notwithstanding subsection (1) of this section, the department may issue a seller's permit to a taxpayer that has not applied for the permit if it appears to the department's satisfaction, based on the nature of the taxpayer's business activities and any other information available to the department, that the taxpayer is entitled to make purchases at wholesale.

(3) Seller's permits issued by the department will be in a form prescribed by the department, which may include an electronic form, and must contain a unique identifying number assigned by the department.

(4)(a) Except as otherwise provided in this section, seller's permits issued, renewed, or reinstated under this section will be valid for a period of forty-eight months from the date of issuance, renewal, or reinstatement.

(b) A seller's permit issued to taxpayers who register with the department under RCW 82.32.030 after January 1, 2009, is valid for a period of twenty-four months and may be renewed for the period prescribed in (a) of this subsection (4).

(c) A seller's permit is no longer valid if the permit holder's certificate of registration is revoked by the department or the person otherwise ceases to engage in business.

(5)(a) The department may revoke a seller's permit of a taxpayer for any of the following reasons:

(i) The taxpayer used or allowed or caused its seller's permit to be used to purchase any item or service without payment of sales tax, but the taxpayer or other purchaser was not entitled to use the seller's permit for the purchase;

(ii) The department issued the seller's permit to the taxpayer in error;

(iii) The department determines that the taxpayer is no longer entitled to make purchases at wholesale; or

(iv) The department determines that revocation of the seller's permit would be in the best interest of collecting taxes due under this title.

(b) The notice of revocation must be in writing and is effective on the date specified in the revocation notice. The notice must also advise the taxpayer of its right to a review by the department.

(c) The department may refuse to reinstate a seller's permit revoked under (a)(i) of this subsection until all taxes, penalties, and interest due on any improperly purchased item or service have been paid in full. In the event a taxpayer whose seller's permit has been revoked under this subsection reorganizes, the new business resulting from the reorganization is not entitled to a seller's permit until all taxes, penalties, and interest due on any improperly purchased item or service have been paid in full.

(d) For purposes of this subsection, "reorganize" or "reorganization" means:

(i) The transfer, however effected, of a majority of the assets of one business to another business where any of the persons having an interest in the ownership or management in the former business maintain an ownership or management interest in the new business, either directly or indirectly; (ii) a mere change in identity or form of ownership, however effected; or (iii) the new business is a mere continuation of the former business based on significant shared features such as owners, personnel, assets, or general business activity.

(6) The department may provide lists of valid and revoked seller's permit numbers on its web site.

(7) The department must provide by rule for the review of the department's decision to deny, revoke, or refuse to reinstate a seller's permit. Such review must be consistent with the requirements of chapter 34.05 RCW.

(8) As part of its continuing efforts to educate taxpayers on their sales and use tax responsibilities, the department will educate taxpayers on the appropriate use of a seller's permit or uniform exemption certificate authorized under RCW 82.04.470 and the consequences of misusing such permits or exemption certificates.

NEW SECTION. Sec. 202. A new section is added to chapter 82.32 RCW to read as follows:

(1)(a) Contractors seeking a new seller's permit or to renew or reinstate a seller's permit must apply to the department in a form and manner prescribed by the department.

(b) As part of the application, the contractor must report the dollar amount of all purchases of materials and labor during the preceding twelve months for retail construction activity, speculative building, public road construction, and government contracting. If the contractor was not engaged in business as a contractor during the preceding twelve months, the contractor may provide an estimate of the dollar amount of purchases of materials and labor for retail construction activity, speculative building, public road construction, and government contracting during the twelve-month period for which the seller's permit will be valid.

(c) The department must rule on applications within sixty days of receiving a complete application.

(d)(i) An application must be denied if:

(A) The department determines that the applicant is not entitled to make purchases at wholesale;

(B) The application contains any material misstatement;

(C) The application is incomplete; or

(D) Less than twenty-five percent of the taxpayer's total dollar amount of actual or, if applicable, estimated material and labor purchases as reported on the application is for retail construction activity performed by the applicant. However, the department may approve an application not meeting the criteria in this subsection (1)(d)(i)(D) if the department is satisfied that approval is unlikely to jeopardize collection of the taxes due under this title.

(ii) The department may also deny an application if the department determines that denial would be in the best interest of collecting taxes due under this title.

(e) Applications to renew a seller's permit may not be made more than ninety days before the expiration of the seller's permit.

(2) Sellers' permits issued by the department will be in a form prescribed by the department, which may include an electronic form, and must contain a unique identifying number assigned by the department.

(3)(a) Sellers' permits issued, renewed, or reinstated under this section will be valid for a period of twelve months from the date of issuance, renewal, or reinstatement.

(b) A seller's permit is no longer valid if the permit holder's certificate of registration is revoked by the department or the person otherwise ceases to engage in business.

(4)(a) The department may revoke a seller's permit of a contractor for any of the following reasons:

(i) The contractor used or allowed or caused its seller's permit to be used to purchase any item or service without payment of sales tax, but the contractor or other purchaser was not entitled to use the seller's permit for the purchase;

(ii) The department issued the seller's permit to the contractor in error;

(iii) The department determines that the contractor is no longer entitled to make purchases at wholesale; or

(iv) The department determines that revocation of the seller's permit would be in the best interest of collecting taxes due under this title.

(b) The notice of revocation must be in writing and is effective on the date specified in the revocation notice. The notice must also advise the contractor of its right to a review by the department.

(c) The department may refuse to reinstate a seller's permit revoked under (a)(i) of this subsection until all taxes, penalties, and interest due on any improperly purchased item or service have been paid in full. In the event a contractor whose seller's permit has been revoked under this subsection reorganizes, the new business resulting from the reorganization is not entitled to a seller's permit until all taxes, penalties, and interest due on any improperly purchased item or service have been paid in full.

(d) For purposes of this subsection, "reorganize" or "reorganization" means:

(i) The transfer, however effected, of a majority of the assets of one business to another business where any of the persons having an interest in the ownership or management in the former business maintain an ownership or management interest in the new business, either directly or indirectly; (ii) a mere change in identity or form of ownership, however effected; or (iii) the new business is a mere continuation of the former business based on significant shared features such as owners, personnel, assets, or general business activity.

(5) The department may provide lists of valid and revoked sellers' permit numbers on its web site.

(6) The department must provide by rule for the review of the department's decision to deny, revoke, or refuse to reinstate a seller's permit. Such review must be consistent with the requirements of chapter 34.05 RCW.

(7) As part of its continuing efforts to educate taxpayers on their sales and use tax responsibilities, the department will educate taxpayers on the appropriate use of a seller's permit or uniform exemption certificate authorized under RCW 82.04.470 and the consequences of misusing such permits or exemption certificates.

(8) As used in this section, the following definitions apply:

(a) "Contractor" means a person who engages in any retail construction activity, or who engages in any activity that brings the person within the definition of consumer in RCW 82.04.190 (3) or (6), or who is a speculative builder as defined by rule of the department.

(b) "Government contracting" means the activity described in RCW 82.04.190(6).

(c) "Public road construction" means the activity described in RCW 82.04.190(3).

(d) "Retail construction activity" means any activity defined as a retail sale in RCW 82.04.050(2) (b) or (c).

(e) "Speculative building" means the activities of a speculative builder as the term "speculative builder" is defined by rule of the department.

NEW SECTION. Sec. 203. A new section is added to chapter 82.32 RCW to read as follows:

The department of revenue must, by January 1, 2011, develop a system, as resources permit, allowing sellers to voluntarily verify through electronic means the validity of sellers' permits presented to sellers from their customers.

NEW SECTION. Sec. 204. A new section is added to chapter 82.32 RCW to read as follows:

A person must, upon request of the department, provide the department with a copy of all sellers' permits, or uniform exemption certificates as authorized in RCW 82.04.470, accepted by that person during the period specified by the department.

Sec. 205. RCW 82.04.470 and 2007 c 6 s 1201 are each amended to read as follows:

(1) Unless a seller has taken from the buyer a (~~(resale certificate)~~) seller's permit, the burden of proving that a sale of tangible personal property, extended warranty, or of services, was not a sale at retail shall be upon the person who made it.

(2) If a seller does not receive a (~~(resale certificate)~~) seller's permit at the time of the sale, have a (~~(resale certificate)~~) seller's permit on file at the time of the sale, or obtain a (~~(resale certificate)~~) seller's permit from the buyer within a reasonable time after the sale, the seller shall remain liable for the tax as provided in RCW 82.08.050, unless the seller can demonstrate facts and circumstances according to rules adopted by the department (~~(of revenue)~~) that show the sale was properly made without payment of retail sales tax.

(3) ~~((The department may provide by rule for suggested forms for resale certificates or equivalent documents containing the information that will be accepted as resale certificates. The department shall provide by rule the categories of items or services that must be specified on resale certificates and the business classifications that may use a blanket resale certificate.~~

~~(4) As used in this section, "resale certificate" means documentation provided by a buyer to a seller stating that the purchase is for resale in the regular course of business, or that the buyer is exempt from retail sales tax, and containing the following information))~~ A seller's permit must contain such information as required by the department, which may include, but is not limited to:

(a) The name and address of the buyer;

(b) ~~The ((uniform business identifier or revenue registration number of the buyer, if the buyer is required to be registered))~~ seller's permit number issued by the department;

(c) The type of business engaged in;

(d) The categories of items or services to be purchased for resale or that are ~~((exempt))~~ otherwise to be purchased at wholesale, unless the buyer presents a blanket ~~((resale certificate))~~ seller's permit;

(e) The date on which the ~~((certificate))~~ permit was provided to the seller;

(f) A statement that the items or services purchased either: (i) Are purchased for resale in the regular course of business; or (ii) are ~~((exempt from tax pursuant to statute))~~ otherwise purchased at wholesale;

(g) A statement that the buyer acknowledges that the buyer is solely responsible for purchasing within the categories specified on the ~~((certificate))~~ permit and that misuse of the resale ~~((or exemption))~~ privilege claimed on the ((certificate)) permit subjects the buyer to ~~((a penalty of fifty percent of the tax due))~~ revocation of the seller's permit, penalties as provided in RCW 82.32.290 and 82.32.291, in addition to the tax, interest, and any other penalties imposed by law;

(h) The name of the individual authorized to sign the ~~((certificate))~~ permit, printed in a legible fashion;

(i) The signature of the authorized individual; ~~((and))~~

(j) The name of the seller;

(k) The date the permit was issued, renewed, or reinstated by the department;

(l) The date that the permit expires;

(m) Instructions for renewing the permit; and

(n) A statement that the department is authorized to obtain information concerning the buyer's purchase of items or services under the permit from the seller to verify whether the buyer was authorized to purchase such items or services without payment of retail sales tax.

~~((5))~~ (4) Subsection ~~((4))~~ (3)(h)(:)) and ~~((i))~~ (i)(, and (j)) of this section does not apply if the ~~((certificate))~~ permit is provided in a format other than paper. If the ~~((certificate))~~ permit is provided in a format other than paper, the name of the individual providing the ~~((certificate))~~ permit must be included in the ~~((certificate))~~ permit.

(5)(a) In lieu of a seller's permit issued by the department under section 201 or 202 of this act, a seller may accept from a buyer that is not required to be registered with the department under RCW 82.32.030 a properly completed:

(i) Uniform sales and use tax exemption certificate developed by the multistate tax commission; or

(ii) Uniform exemption certificate approved by the streamlined sales and use tax agreement governing board.

(b) A seller who accepts a properly completed exemption certificate as authorized in (a) of this subsection is relieved of the obligation to collect and remit retail sales tax.

(6) In lieu of a seller's permit issued by the department under section 201 or 202 of this act, a seller may accept from a buyer that is required to be registered with the department under RCW 82.32.030 a properly completed uniform exemption certificate approved by the streamlined sales and use tax agreement governing board as long as that certificate includes the seller's permit number issued by the department to the buyer.

(7) As used in this section, "seller's permit" means documentation issued by the department under section 201 or 202 of this act and provided by a buyer to a seller to substantiate a wholesale sale.

Sec. 206. RCW 82.08.050 and 2007 c 6 s 1202 are each amended to read as follows:

(1) The tax hereby imposed shall be paid by the buyer to the seller, and each seller shall collect from the buyer the full amount of the tax payable in respect to each taxable sale in accordance with the schedule of collections adopted by the department pursuant to the provisions of RCW 82.08.060.

(2) The tax required by this chapter, to be collected by the seller, shall be deemed to be held in trust by the seller until paid to the department, and any seller who appropriates or converts the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(3) In case any seller fails to collect the tax herein imposed or, having collected the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of his or her own acts or the result of acts or conditions beyond his or her control, he or she shall, nevertheless, be personally liable to the state for the amount of the tax, unless the seller has taken from the buyer a ~~((resale certificate))~~ seller's permit or uniform exemption certificate authorized under RCW 82.04.470, a copy of a direct pay permit issued under RCW 82.32.087, a direct mail form under RCW 82.32.730(5), or other information required under the streamlined sales and use tax agreement, or information required under rules adopted by the department.

(4) Sellers shall not be relieved from personal liability for the amount of the tax unless they maintain proper records of exempt transactions and provide them to the department when requested.

(5) Sellers are not relieved from personal liability for the amount of tax if they fraudulently fail to collect the tax or if they solicit purchasers to participate in an unlawful claim of exemption.

(6) Sellers are not relieved from personal liability for the amount of tax if they accept an exemption certificate from a purchaser claiming an entity-based exemption if:

(a) The subject of the transaction sought to be covered by the exemption certificate is actually received by the purchaser at a location operated by the seller in Washington; and

(b) Washington provides an exemption certificate that clearly and affirmatively indicates that the claimed exemption is not available in Washington. Graying out exemption reason types on a uniform form and posting it on the department's web site is a clear and affirmative indication that the grayed out exemptions are not available.

(7)(a) Sellers are relieved from personal liability for the amount of tax if they obtain a fully completed exemption certificate or capture the relevant data elements required under the streamlined sales and use tax agreement within ninety days, or a longer period as may be provided by rule by the department, subsequent to the date of sale.

(b) If the seller has not obtained an exemption certificate or all relevant data elements required under the streamlined sales and use tax agreement within the period allowed subsequent to the date of sale, the seller may, within one hundred twenty days, or a longer period as may be provided by rule by the department, subsequent to a request for substantiation by the department, either prove that the transaction was not subject to tax by other means or obtain a fully completed exemption certificate from the purchaser, taken in good faith.

(c) Sellers are relieved from personal liability for the amount of tax if they obtain a blanket exemption certificate for a purchaser with which the seller has a recurring business relationship. The department may not request from a seller renewal of blanket certificates or updates of exemption certificate information or data elements if there is a recurring business relationship between the buyer and seller. For purposes of this subsection (7)(c), a "recurring business relationship" means at least one sale transaction within a period of twelve consecutive months.

(8) The amount of tax, until paid by the buyer to the seller or to the department, shall constitute a debt from the buyer to the seller and any seller who fails or refuses to collect the tax as required with intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any buyer who refuses to pay any tax due under this chapter is guilty of a misdemeanor.

(9) The tax required by this chapter to be collected by the seller shall be stated separately from the selling price in any sales invoice or other instrument of sale. On all retail sales through vending machines, the tax need not be stated separately from the selling price or collected separately from the buyer. For purposes of determining the tax due from the buyer to the seller and from the seller to the department it shall be conclusively presumed that the selling price quoted in any price list, sales document, contract or other agreement between the parties does not include the tax imposed by this chapter, but if the seller advertises the price as including the tax or that the seller is paying the tax, the advertised price shall not be considered the selling price.

(10) Where a buyer has failed to pay to the seller the tax imposed by this chapter and the seller has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the buyer for

collection of the tax, in which case a penalty of ten percent may be added to the amount of the tax for failure of the buyer to pay the same to the seller, regardless of when the tax may be collected by the department; and all of the provisions of chapter 82.32 RCW, including those relative to interest and penalties, shall apply in addition; and, for the sole purpose of applying the various provisions of chapter 82.32 RCW, the twenty-fifth day of the month following the tax period in which the purchase was made shall be considered as the due date of the tax.

(11) Notwithstanding subsections (1) through (10) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if:

(a) The person's activities in this state, whether conducted directly or through another person, are limited to:

- (i) The storage, dissemination, or display of advertising;
- (ii) The taking of orders; or
- (iii) The processing of payments; and

(b) The activities are conducted electronically via a web site on a server or other computer equipment located in Washington that is not owned or operated by the person making sales into this state nor owned or operated by an affiliated person. "Affiliated persons" has the same meaning as provided in RCW 82.04.424.

(12) Subsection (11) of this section expires when: (a) The United States congress grants individual states the authority to impose sales and use tax collection duties on remote sellers; or (b) it is determined by a court of competent jurisdiction, in a judgment not subject to review, that a state can impose sales and use tax collection duties on remote sellers.

(13) For purposes of this section, "seller" includes a certified service provider, as defined in RCW 82.32.020, acting as agent for the seller.

Sec. 207. RCW 82.08.130 and 1993 sp.s. c 25 s 702 are each amended to read as follows:

(1) If a buyer normally is engaged in both consuming and reselling certain types of articles of tangible personal property and is not able to determine at the time of purchase whether the particular property acquired will be consumed or resold, the buyer may use a ~~((resale certificate))~~ seller's permit or, if eligible, a uniform exemption certificate authorized under RCW 82.04.470 for the entire purchase if the buyer principally resells the articles according to the general nature of the buyer's business. The buyer shall account for the value of any articles purchased with a ~~((resale certificate))~~ seller's permit or uniform exemption certificate authorized under RCW 82.04.470 that are used by the buyer and remit the deferred sales tax on the articles to the department.

(2) A buyer who pays a tax on all purchases and subsequently resells an article or service at retail, without intervening use by the buyer, shall collect the tax from the purchaser as otherwise provided by law and is entitled to a deduction or credit on the buyer's tax return equal to, in the case of a deduction, the cost to the buyer of the property or service resold upon which retail sales tax has been paid, and in the case of a credit, the amount of state and local sales taxes paid with respect to the property or service resold. The deduction or credit is allowed only if the taxpayer keeps and preserves records that show the names of the persons from whom the articles or services were purchased, the date of the purchase, the type of articles or services, the amount of the purchase, and the tax that was paid.

(3) The department (~~((shall))~~) must provide by rule for the refund or credit of retail sales tax paid by a buyer for purchases that are later (~~((sold at wholesale))~~) resold without intervening use by the buyer or for purchases that would otherwise have met the definition of wholesale sale if the buyer had provided the seller with a seller's permit or uniform exemption certificate as authorized in RCW 82.04.470.

(4) Nothing in this section may be construed to authorize a deduction or credit in respect to the purchase of services if the services are not of a type that can be sold at wholesale under the definition of wholesale sale in RCW 82.04.060.

Sec. 208. RCW 82.14B.042 and 2002 c 341 s 10 are each amended to read as follows:

(1) The state enhanced 911 excise taxes imposed by this chapter must be paid by the subscriber to the local exchange company providing the switched access line or the radio communications service company providing the radio access line, and each local exchange company and each radio communications service company shall collect from the subscriber the full amount of the taxes payable. The state enhanced 911 excise taxes required by this chapter to be collected by the local exchange company or the radio communications service company are deemed to be held in trust by the local exchange company or the radio communications service company until paid to the department. Any local exchange company or radio communications service company that appropriates or converts the tax collected to its own use or to any use other than the payment of the tax to the extent that the money collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(2) If any local exchange company or radio communications service company fails to collect the state enhanced 911 excise tax or, after collecting the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of its own act or the result of acts or conditions beyond its control, the local exchange company or the radio communications service company is personally liable to the state for the amount of the tax, unless the local exchange company or the radio communications service company has taken from the buyer in good faith (~~((a properly executed resale certificate under RCW 82.14B.200))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for the state enhanced 911 tax.

(3) The amount of tax, until paid by the subscriber to the local exchange company, the radio communications service company, or to the department, constitutes a debt from the subscriber to the local exchange company or the radio communications service company. Any local exchange company or radio communications service company that fails or refuses to collect the tax as required with intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any subscriber who refuses to pay any tax due under this chapter is guilty of a misdemeanor. The state enhanced 911 excise taxes required by this chapter to be collected by the local exchange company or the radio communications service company must be stated separately on the billing statement that is sent to the subscriber.

(4) If a subscriber has failed to pay to the local exchange company or the radio communications service company the state enhanced 911 excise taxes

imposed by this chapter and the local exchange company or the radio communications service company has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the subscriber for collection of the tax, in which case a penalty of ten percent may be added to the amount of the tax for failure of the subscriber to pay the tax to the local exchange company or the radio communications service company, regardless of when the tax is collected by the department. Tax under this chapter is due as provided under RCW 82.14B.061.

Sec. 209. RCW 82.14B.200 and 2002 c 341 s 12 are each amended to read as follows:

(1) Unless a local exchange company or a radio communications service company has taken from the buyer (~~((a resale certificate or equivalent document under RCW 82.04.470))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for the tax, the burden of proving that a sale of the use of a switched access line or radio access line was not a sale to a subscriber or was not otherwise subject to the tax is upon the person who made the sale.

(2) If a local exchange company or a radio communications service company does not receive (~~((a resale certificate))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for the tax at the time of the sale, have (~~((a resale certificate))~~) such documentation on file at the time of the sale, or obtain (~~((a resale certificate))~~) such documentation from the buyer within a reasonable time after the sale, the local exchange company or the radio communications service company remains liable for the tax as provided in RCW 82.14B.042, unless the local exchange company or the radio communications service company can demonstrate facts and circumstances according to rules adopted by the department of revenue that show the sale was properly made without payment of the state enhanced 911 excise tax.

(3) The penalty imposed by RCW 82.32.291 may not be assessed on state enhanced 911 excise taxes due but not paid as a result of the improper use of (~~((a resale certificate))~~) documentation stating that the buyer is not a subscriber or is otherwise not liable for the state enhanced 911 tax. This subsection does not prohibit or restrict the application of other penalties authorized by law.

Sec. 210. RCW 82.32.087 and 2001 c 188 s 2 are each amended to read as follows:

(1) The director may grant a direct pay permit to a taxpayer who demonstrates, to the satisfaction of the director, that the taxpayer meets the requirements of this section. The direct pay permit allows the taxpayer to accrue and remit directly to the department use tax on the acquisition of tangible personal property or sales tax on the sale of or charges made for labor and/or services, in accordance with all of the applicable provisions of this title. Any taxpayer that uses a direct pay permit shall remit state and local sales or use tax directly to the department. The agreement by the purchaser to remit tax directly to the department, rather than pay sales or use tax to the seller, relieves the seller of the obligation to collect sales or use tax and requires the buyer to pay use tax on the tangible personal property and sales tax on the sale of or charges made for labor and/or services.

(2)(a) A taxpayer may apply for a permit under this section if the taxpayer (i) is subject to mandatory use of electronic funds transfer under RCW 82.32.080; or (ii) makes purchases subject to the taxes imposed under chapter 82.08 or 82.12 RCW in excess of ten million dollars per calendar year.

(b) Application for a permit must be made in writing to the director in a form and manner prescribed by the department. A taxpayer who transacts business in two or more locations may submit one application to cover the multiple locations.

(c) The director shall review a direct pay permit application in a timely manner and shall notify the applicant, in writing, of the approval or denial of the application. The department shall approve or deny an application based on the applicant's ability to comply with local government use tax coding capabilities and responsibilities; requirements for vendor notification; recordkeeping obligations; electronic data capabilities; and tax reporting procedures. Additionally, an application may be denied if the director determines that denial would be in the best interest of collecting taxes due under this title. The department shall provide a direct pay permit to an approved applicant with the notice of approval. The direct pay permit shall clearly state that the holder is solely responsible for the accrual and payment of the tax imposed under chapters 82.08 and 82.12 RCW and that the seller is relieved of liability to collect tax imposed under chapters 82.08 and 82.12 RCW on all sales to the direct pay permit holder. The taxpayer may petition the director for reconsideration of a denial.

(d) A taxpayer who uses a direct pay permit must continue to maintain records that are necessary to a determination of the tax liability in accordance with this title. A direct pay permit is not transferable and the use of a direct pay permit may not be assigned to a third party.

(3) Taxes for which the direct pay permit is used are due and payable on the tax return for the reporting period in which the taxpayer (a) receives the tangible personal property purchased or in which the labor and/or services are performed or (b) receives an invoice for such property or such labor and/or services, whichever period is earlier.

(4) The holder of a direct pay permit shall furnish a copy of the direct pay permit to each vendor with whom the taxpayer has opted to use a direct pay permit. Sellers who make sales upon which the sales or use tax is not collected by reason of the provisions of this section, in addition to existing requirements under this title, shall maintain a copy of the direct pay permit and any such records or information as the department may specify.

(5) A direct pay permit is subject to revocation by the director at any time the department determines that the taxpayer has violated any provision of this section or that revocation would be in the best interests of collecting the taxes due under this title. The notice of revocation must be in writing and is effective either as of the end of the taxpayer's next normal reporting period or a date deemed appropriate by the director and identified in the revocation notice. The taxpayer may petition the director for reconsideration of a revocation and reinstatement of the permit.

(6) Any taxpayer who chooses to no longer use a direct pay permit or whose permit is revoked by the department, shall return the permit to the department

and immediately make a good faith effort to notify all vendors to whom the permit was given, advising them that the permit is no longer valid.

(7) Except as provided in this subsection, the direct pay permit may be used for any purchase of tangible personal property and any retail sale under RCW 82.04.050. The direct pay permit may not be used for:

- (a) Purchases of meals or beverages;
- (b) Purchases of motor vehicles, trailers, boats, airplanes, and other property subject to requirements for title transactions by the department of licensing;
- (c) Purchases for which a ~~((resale certificate))~~ seller's permit or uniform exemption certificate authorized under RCW 82.04.470 may be used;
- (d) Purchases that meet the definitions of RCW 82.04.050 (2) (e) and (f), (3) (a) through (d), (f), and (g), and (5); or
- (e) Other activities subject to tax under chapter 82.08 or 82.12 RCW that the department by rule designates, consistent with the purposes of this section, as activities for which a direct pay permit is not appropriate and may not be used.

Sec. 211. RCW 82.32.290 and 1985 c 414 s 2 are each amended to read as follows:

(1)(a) It shall be unlawful:

(i) For any person to engage in business without having obtained a certificate of registration as provided in this chapter;

(ii) For the president, vice president, secretary, treasurer, or other officer of any company to cause or permit the company to engage in business without having obtained a certificate of registration as provided in this chapter;

(iii) For any person to tear down or remove any order or notice posted by the department;

(iv) For any person to aid or abet another in any attempt to evade the payment of any tax or any part thereof;

(v) For any purchaser to fraudulently sign or furnish to a seller a ~~((resale certificate))~~ seller's permit or uniform exemption certificate authorized under RCW 82.04.470 without intent to resell the property purchased; or

(vi) For any person to fail or refuse to permit the examination of any book, paper, account, record, or other data by the department or its duly authorized agent; or to fail or refuse to permit the inspection or appraisal of any property by the department or its duly authorized agent; or to refuse to offer testimony or produce any record as required.

(b) Any person violating any of the provisions of this subsection (1) shall be guilty of a gross misdemeanor in accordance with chapter 9A.20 RCW.

(2)(a) It shall be unlawful:

(i) For any person to engage in business after revocation of a certificate of registration;

(ii) For the president, vice president, secretary, treasurer, or other officer of any company to cause or permit the company to engage in business after revocation of a certificate of registration; or

(iii) For any person to make any false or fraudulent return or false statement in any return, with intent to defraud the state or evade the payment of any tax or part thereof.

(b) Any person violating any of the provisions of this subsection (2) shall be guilty of a class C felony in accordance with chapter 9A.20 RCW.

(3) In addition to the foregoing penalties, any person who knowingly swears to or verifies any false or fraudulent return, or any return containing any false or fraudulent statement with the intent aforesaid, shall be guilty of the offense of perjury in the second degree; and any company for which a false return, or a return containing a false statement, as aforesaid, is made, shall be punished, upon conviction thereof, by a fine of not more than one thousand dollars. All penalties or punishments provided in this section shall be in addition to all other penalties provided by law.

Sec. 212. RCW 82.32.291 and 1993 sp.s. c 25 s 703 are each amended to read as follows:

Any person who uses a (~~resale certificate~~) seller's permit to purchase items or services without payment of sales tax, or who uses a uniform exemption certificate developed by the multistate tax commission or approved by the streamlined sales and use tax agreement governing board to claim a purchase for resale exemption, and who is not entitled to use the seller's permit or exemption certificate for the purchase shall be assessed a penalty of fifty percent of the tax due, in addition to all other taxes, penalties, and interest due, on the improperly purchased item or service. The department may waive the penalty imposed under this section if it finds that the use of the seller's permit or exemption certificate was due to circumstances beyond the taxpayer's control or if the seller's permit or exemption certificate was properly used for purchases for dual purposes. The department shall define by rule what circumstances are considered to be beyond the taxpayer's control.

Sec. 213. RCW 82.32.330 and 2008 c 81 s 11 are each amended to read as follows:

(1) For purposes of this section:

(a) "Disclose" means to make known to any person in any manner whatever a return or tax information;

(b) "Return" means a tax or information return or claim for refund required by, or provided for or permitted under, the laws of this state which is filed with the department of revenue by, on behalf of, or with respect to a person, and any amendment or supplement thereto, including supporting schedules, attachments, or lists that are supplemental to, or part of, the return so filed;

(c) "Tax information" means (i) a taxpayer's identity, (ii) the nature, source, or amount of the taxpayer's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability deficiencies, overassessments, or tax payments, whether taken from the taxpayer's books and records or any other source, (iii) whether the taxpayer's return was, is being, or will be examined or subject to other investigation or processing, (iv) a part of a written determination that is not designated as a precedent and disclosed pursuant to RCW 82.32.410, or a background file document relating to a written determination, and (v) other data received by, recorded by, prepared by, furnished to, or collected by the department of revenue with respect to the determination of the existence, or possible existence, of liability, or the amount thereof, of a person under the laws of this state for a tax, penalty, interest, fine, forfeiture, or other imposition, or offense(~~(-- PROVIDED, That)~~). However, data, material, or documents that do not disclose information related to a specific or identifiable taxpayer do not constitute tax information under this section.

Except as provided by RCW 82.32.410, nothing in this chapter shall require any person possessing data, material, or documents made confidential and privileged by this section to delete information from such data, material, or documents so as to permit its disclosure;

(d) "State agency" means every Washington state office, department, division, bureau, board, commission, or other state agency;

(e) "Taxpayer identity" means the taxpayer's name, address, telephone number, registration number, or any combination thereof, or any other information disclosing the identity of the taxpayer; and

(f) "Department" means the department of revenue or its officer, agent, employee, or representative.

(2) Returns and tax information (~~((shall be))~~) are confidential and privileged, and except as authorized by this section, neither the department of revenue nor any other person may disclose any return or tax information.

(3) This section does not prohibit the department of revenue from:

(a) Disclosing such return or tax information in a civil or criminal judicial proceeding or an administrative proceeding:

(i) In respect of any tax imposed under the laws of this state if the taxpayer or its officer or other person liable under Title 82 RCW is a party in the proceeding; or

(ii) In which the taxpayer about whom such return or tax information is sought and another state agency are adverse parties in the proceeding;

(b) Disclosing, subject to such requirements and conditions as the director (~~((shall))~~) prescribes by rules adopted pursuant to chapter 34.05 RCW, such return or tax information regarding a taxpayer to such taxpayer or to such person or persons as that taxpayer may designate in a request for, or consent to, such disclosure, or to any other person, at the taxpayer's request, to the extent necessary to comply with a request for information or assistance made by the taxpayer to such other person(~~((: PROVIDED, That))~~). However, tax information not received from the taxpayer (~~((shall))~~) must not be so disclosed if the director determines that such disclosure would compromise any investigation or litigation by any federal, state, or local government agency in connection with the civil or criminal liability of the taxpayer or another person, or that such disclosure would identify a confidential informant, or that such disclosure is contrary to any agreement entered into by the department that provides for the reciprocal exchange of information with other government agencies which agreement requires confidentiality with respect to such information unless such information is required to be disclosed to the taxpayer by the order of any court;

(c) Disclosing the name of a taxpayer with a deficiency greater than five thousand dollars and against whom a warrant under RCW 82.32.210 has been either issued or filed and remains outstanding for a period of at least ten working days. The department (~~((shall))~~) is not (~~((be))~~) required to disclose any information under this subsection if a taxpayer: (i) Has been issued a tax assessment; (ii) has been issued a warrant that has not been filed; and (iii) has entered a deferred payment arrangement with the department of revenue and is making payments upon such deficiency that will fully satisfy the indebtedness within twelve months;

(d) Disclosing the name of a taxpayer with a deficiency greater than five thousand dollars and against whom a warrant under RCW 82.32.210 has been filed with a court of record and remains outstanding;

(e) Publishing statistics so classified as to prevent the identification of particular returns or reports or items thereof;

(f) Disclosing such return or tax information, for official purposes only, to the governor or attorney general, or to any state agency, or to any committee or subcommittee of the legislature dealing with matters of taxation, revenue, trade, commerce, the control of industry or the professions;

(g) Permitting the department of revenue's records to be audited and examined by the proper state officer, his or her agents and employees;

(h) Disclosing any such return or tax information to a peace officer as defined in RCW 9A.04.110 or county prosecuting attorney, for official purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for the purpose of criminal tax enforcement. A peace officer or county prosecuting attorney who receives the return or tax information may disclose that return or tax information only for use in the investigation and a related court proceeding, or in the court proceeding for which the return or tax information originally was sought;

(i) Disclosing any such return or tax information to the proper officer of the internal revenue service of the United States, the Canadian government or provincial governments of Canada, or to the proper officer of the tax department of any state or city or town or county, for official purposes, but only if the statutes of the United States, Canada or its provincial governments, or of such other state or city or town or county, as the case may be, grants substantially similar privileges to the proper officers of this state;

(j) Disclosing any such return or tax information to the Department of Justice, including the Bureau of Alcohol, Tobacco, Firearms and Explosives within the Department of Justice, the Department of Defense, the Immigration and Customs Enforcement and the Customs and Border Protection agencies of the United States Department of Homeland Security, the Coast Guard of the United States, and the United States Department of Transportation, or any authorized representative (~~thereof~~) of these federal agencies, for official purposes;

(k) Publishing or otherwise disclosing the text of a written determination designated by the director as a precedent pursuant to RCW 82.32.410;

(l) Disclosing, in a manner that is not associated with other tax information, the taxpayer name, entity type, business address, mailing address, revenue tax registration numbers, seller's permit numbers and the status of such permits, North American industry classification system or standard industrial classification code of a taxpayer, and the dates of opening and closing of business. This subsection (~~shall~~) must not be construed as giving authority to the department to give, sell, or provide access to any list of taxpayers for any commercial purpose;

(m) Disclosing such return or tax information that is also maintained by another Washington state or local governmental agency as a public record available for inspection and copying under the provisions of chapter 42.56 RCW or is a document maintained by a court of record and is not otherwise prohibited from disclosure;

(n) Disclosing such return or tax information to the United States department of agriculture for the limited purpose of investigating food stamp fraud by retailers;

(o) Disclosing to a financial institution, escrow company, or title company, in connection with specific real property that is the subject of a real estate transaction, current amounts due the department for a filed tax warrant, judgment, or lien against the real property;

(p) Disclosing to a person against whom the department has asserted liability as a successor under RCW 82.32.140 return or tax information pertaining to the specific business of the taxpayer to which the person has succeeded;

(q) Disclosing such return or tax information in the possession of the department relating to the administration or enforcement of the real estate excise tax imposed under chapter 82.45 RCW, including information regarding transactions exempt or otherwise not subject to tax; or

(r) Disclosing to local taxing jurisdictions the identity of sellers granted relief under RCW 82.32.430(5)(b)(i) and the period for which relief is granted.

(4)(a) The department may disclose return or taxpayer information to a person under investigation or during any court or administrative proceeding against a person under investigation as provided in this subsection (4). The disclosure must be in connection with the department's official duties relating to an audit, collection activity, or a civil or criminal investigation. The disclosure may occur only when the person under investigation and the person in possession of data, materials, or documents are parties to the return or tax information to be disclosed. The department may disclose return or tax information such as invoices, contracts, bills, statements, resale or exemption certificates, or checks. However, the department may not disclose general ledgers, sales or cash receipt journals, check registers, accounts receivable/payable ledgers, general journals, financial statements, expert's workpapers, income tax returns, state tax returns, tax return workpapers, or other similar data, materials, or documents.

(b) Before disclosure of any tax return or tax information under this subsection (4), the department (~~(shall)~~) must, through written correspondence, inform the person in possession of the data, materials, or documents to be disclosed. The correspondence (~~(shall)~~) must clearly identify the data, materials, or documents to be disclosed. The department may not disclose any tax return or tax information under this subsection (4) until the time period allowed in (c) of this subsection has expired or until the court has ruled on any challenge brought under (c) of this subsection.

(c) The person in possession of the data, materials, or documents to be disclosed by the department has twenty days from the receipt of the written request required under (b) of this subsection to petition the superior court of the county in which the petitioner resides for injunctive relief. The court shall limit or deny the request of the department if the court determines that:

(i) The data, materials, or documents sought for disclosure are cumulative or duplicative, or are obtainable from some other source that is more convenient, less burdensome, or less expensive;

(ii) The production of the data, materials, or documents sought would be unduly burdensome or expensive, taking into account the needs of the

department, the amount in controversy, limitations on the petitioner's resources, and the importance of the issues at stake; or

(iii) The data, materials, or documents sought for disclosure contain trade secret information that, if disclosed, could harm the petitioner.

(d) The department (~~((shall))~~) must reimburse reasonable expenses for the production of data, materials, or documents incurred by the person in possession of the data, materials, or documents to be disclosed.

(e) Requesting information under (b) of this subsection that may indicate that a taxpayer is under investigation does not constitute a disclosure of tax return or tax information under this section.

(5) Any person acquiring knowledge of any return or tax information in the course of his or her employment with the department of revenue and any person acquiring knowledge of any return or tax information as provided under subsection (3)(f), (g), (h), (i), (j), or (n) of this section, who discloses any such return or tax information to another person not entitled to knowledge of such return or tax information under the provisions of this section, is guilty of a misdemeanor. If the person guilty of such violation is an officer or employee of the state, such person (~~((shall))~~) must forfeit such office or employment and (~~((shall be))~~) is incapable of holding any public office or employment in this state for a period of two years thereafter.

Sec. 214. RCW 82.72.040 and 2004 c 254 s 6 are each amended to read as follows:

(1) Telephone program excise taxes must be paid by the subscriber to the local exchange company providing the switched access line, and each local exchange company shall collect from the subscriber the full amount of the taxes payable. Telephone program excise taxes to be collected by the local exchange company are deemed to be held in trust by the local exchange company until paid to the department. Any local exchange company that appropriates or converts the tax collected to its own use or to any use other than the payment of the tax to the extent that the money collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(2) If any local exchange company fails to collect telephone program excise taxes or, after collecting the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of its own act or the result of acts or conditions beyond its control, the local exchange company is personally liable to the state for the amount of the tax, unless the local exchange company has taken from the buyer in good faith (~~((a properly executed resale certificate under RCW 82.72.070))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for telephone program excise taxes.

(3) The amount of tax, until paid by the subscriber to the local exchange company or to the department, constitutes a debt from the subscriber to the local exchange company. Any local exchange company that fails or refuses to collect telephone program excise taxes as required with intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any subscriber who refuses to pay any telephone excise tax is guilty of a misdemeanor.

(4) If a subscriber has failed to pay to the local exchange company the telephone program excise taxes and the local exchange company has not paid the

amount of the tax to the department, the department may, in its discretion, proceed directly against the subscriber for collection of the tax, in which case a penalty of ten percent may be added to the amount of the tax for failure of the subscriber to pay the tax to the local exchange company, regardless of when the tax is collected by the department. Telephone program excise taxes are due as provided under RCW 82.72.050.

Sec. 215. RCW 82.72.070 and 2004 c 254 s 9 are each amended to read as follows:

(1) Unless a local exchange company has taken from the buyer (~~((a resale certificate or equivalent document under RCW 82.04.470))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for telephone program excise taxes, the burden of proving that a sale of the use of a switched access line was not a sale to a subscriber or was otherwise not subject to telephone program excise taxes is upon the person who made the sale.

(2) If a local exchange company does not receive (~~((a resale certificate))~~) documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or is otherwise not liable for telephone program excise taxes at the time of the sale, have (~~((a resale certificate))~~) such documentation on file at the time of the sale, or obtain (~~((a resale certificate))~~) such documentation from the buyer within a reasonable time after the sale, the local exchange company remains liable for the telephone program excise taxes as provided in RCW 82.72.040, unless the local exchange company can demonstrate facts and circumstances according to rules adopted by the department that show the sale was properly made without payment of telephone program excise taxes.

(3) The penalty imposed by RCW 82.32.291 may not be assessed on telephone program excise taxes that are due but not paid as a result of the improper use of (~~((a resale certificate))~~) documentation stating that the buyer is not a subscriber or is otherwise not liable for telephone program excise taxes. This subsection does not prohibit or restrict the application of other penalties authorized by law.

PART III TECHNICAL CHANGES

Sec. 301. RCW 82.04.050 and 2007 c 54 s 4 and 2007 c 6 s 1004 are each reenacted and amended to read as follows:

(1) "Sale at retail" or "retail sale" means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers other than a sale to a person who presents a (~~((resale certificate under))~~) seller's permit or uniform exemption certificate in conformity with RCW 82.04.470 and who:

(a) Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person, but a purchase for the purpose of resale by a regional transit authority under RCW 81.112.300 is not a sale for resale; or

(b) Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an ingredient or component of such real or personal property without intervening use by such person; or

(c) Purchases for the purpose of consuming the property purchased in producing for sale a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

(d) Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

(e) Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065. The term shall include every sale of tangible personal property which is used or consumed or to be used or consumed in the performance of any activity classified as a "sale at retail" or "retail sale" even though such property is resold or utilized as provided in (a), (b), (c), (d), or (e) of this subsection following such use. The term also means every sale of tangible personal property to persons engaged in any business which is taxable under RCW 82.04.280 (2) and (7), 82.04.290, and 82.04.2908; or

(f) Purchases for the purpose of satisfying the person's obligations under an extended warranty as defined in subsection (7) of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

(2) The term "sale at retail" or "retail sale" shall include the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following:

(a) The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities in respect thereto, but excluding charges made for the use of self-service laundry facilities, and also excluding sales of laundry service to nonprofit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

(b) The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and shall also include the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;

(c) The constructing, repairing, or improving of any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;

(d) The cleaning, fumigating, razing, or moving of existing buildings or structures, but shall not include the charge made for janitorial services; and for purposes of this section the term "janitorial services" shall mean those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term "janitorial services" does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;

(e) Automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under chapter 82.16 RCW;

(f) The furnishing of lodging and all other services by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it shall be presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;

(g) Persons taxable under (a), (b), (c), (d), (e), and (f) of this subsection when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the performance of any activity defined as a "sale at retail" or "retail sale" even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection shall be construed to modify subsection (1) of this section and nothing contained in subsection (1) of this section shall be construed to modify this subsection.

(3) The term "sale at retail" or "retail sale" shall include the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

(a) Amusement and recreation services including but not limited to golf, pool, billiards, skating, bowling, ski lifts and tows, day trips for sightseeing purposes, and others, when provided to consumers;

(b) Abstract, title insurance, and escrow services;

(c) Credit bureau services;

(d) Automobile parking and storage garage services;

(e) Landscape maintenance and horticultural services but excluding (i) horticultural services provided to farmers and (ii) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;

(f) Service charges associated with tickets to professional sporting events; and

(g) The following personal services: Physical fitness services, tanning salon services, tattoo parlor services, steam bath services, turkish bath services, escort services, and dating services.

(4)(a) The term shall also include:

(i) The renting or leasing of tangible personal property to consumers; and

(ii) Providing tangible personal property along with an operator for a fixed or indeterminate period of time. A consideration of this is that the operator is necessary for the tangible personal property to perform as designed. For the purpose of this subsection (4)(a)(ii), an operator must do more than maintain, inspect, or set up the tangible personal property.

(b) The term shall not include the renting or leasing of tangible personal property where the lease or rental is for the purpose of sublease or subrent.

(5) The term shall also include the providing of "competitive telephone service," "telecommunications service," or "ancillary services," as those terms are defined in RCW 82.04.065, to consumers.

(6) The term shall also include the sale of prewritten computer software other than a sale to a person who presents a ~~((resale certificate under))~~ seller's permit or uniform exemption certificate in conformity with RCW 82.04.470, regardless of the method of delivery to the end user, but shall not include custom software or the customization of prewritten computer software.

(7) The term shall also include the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, "extended warranty" means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term "extended warranty" does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement. For purposes of this subsection, "sales price" has the same meaning as in RCW 82.08.010.

(8) The term shall not include the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind.

(9) The term shall also not include sales of chemical sprays or washes to persons for the purpose of postharvest treatment of fruit for the prevention of scald, fungus, mold, or decay, nor shall it include sales of feed, seed, seedlings, fertilizer, agents for enhanced pollination including insects such as bees, and spray materials to: (a) Persons who participate in the federal conservation reserve program, the environmental quality incentives program, the wetlands reserve program, and the wildlife habitat incentives program, or their successors administered by the United States department of agriculture; (b) farmers for the purpose of producing for sale any agricultural product; and (c) farmers acting under cooperative habitat development or access contracts with an organization exempt from federal income tax under 26 U.S.C. Sec. 501(c)(3) or the Washington state department of fish and wildlife to produce or improve wildlife habitat on land that the farmer owns or leases.

(10) The term shall not include the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing, or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation. Nor shall the term include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States, any instrumentality thereof, or a county or city housing authority. Nor shall the term include the sale of services or charges made for cleaning up for the United States, or its instrumentalities, radioactive waste and other byproducts of weapons production and nuclear research and development.

(11) The term shall not include the sale of or charge made for labor, services, or tangible personal property pursuant to agreements providing maintenance services for bus, rail, or rail fixed guideway equipment when a regional transit authority is the recipient of the labor, services, or tangible personal property, and a transit agency, as defined in RCW 81.104.015, performs the labor or services.

PART IV MISCELLANEOUS

NEW SECTION. Sec. 401. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 402. This act must be liberally construed in order to carry out its purposes.

NEW SECTION. Sec. 403. This act takes effect January 1, 2010.

NEW SECTION. Sec. 404. The effective date in section 403 of this act may not be construed as preventing the department of revenue from accepting applications for, or issuing, seller's permits before January 1, 2010, adopting rules, or taking any other action before January 1, 2010, necessary to ensure the effective implementation of this act.

NEW SECTION. Sec. 405. By December 1, 2009, the finance committee of the house of representatives and the joint legislative task force on the underground economy in the Washington state construction industry, shall each prepare a report that reviews the issues and concerns that need to be addressed by the legislature as a result of the changes made in this act. The reports shall include any recommendations on potential modifications to the provisions of this act. The department of revenue shall provide necessary support and information.

NEW SECTION. Sec. 406. Part headings used in this act are not any part of the law.

Passed by the Senate April 25, 2009.

Passed by the House April 23, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 564

[Engrossed Substitute House Bill 1244]

OPERATING BUDGET

AN ACT Relating to fiscal matters; amending RCW 2.68.020, 28A.160.130, 28B.105.110, 35.104.060, 38.52.106, 41.48.060, 41.50.110, 43.03.310, 43.08.190, 43.09.260, 43.09.282, 43.09.475, 43.10.180, 43.17.390, 43.19.501, 43.21A.667, 43.79.201, 43.79.460, 43.79.480, 43.83B.360, 43.155.050, 43.215.125, 43.325.040, 43.330.250, 46.66.080, 50.16.010, 66.08.170, 67.70.190, 70.93.180, 71.24.310, 74.08A.340, 74.13.621, 77.12.820, 77.32.010, 79.64.040, 79A.25.080, 79.105.150, 80.36.430, 86.26.007, 2.68.020, 28B.50.837, 28B.67.030, 28B.76.565, 28B.76.610, 28B.105.110, 41.45.230, 43.30.305, and 71.24.310; amending 2009 c 4 ss 101, 110, 112, 118, 124, 128, 129, 135, 140, 143, 145, 148, 151, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 212, 213, 214, 215, 216, 217, 219, 221, 222, 223, 225, 301, 302, 303, 307, 308, 311, 402, 501, 502, 504, 505, 506, 603, 606, 609, 610, 613, 614, 615, 616, 801, and 802 (uncodified); amending 2008 c 329 ss 151, 201, 223, 504, 505, 506, 508, 509, 510, 512, 516, 701, 702, 703, 704, 705, 706, 707, and 714 (uncodified); amending 2007 c 522 ss 712, 804, 802, and 803 (uncodified); reenacting and amending RCW 43.135.045, 46.09.170, 67.40.040, and 70.105D.070; adding a new section to chapter 43.70 RCW; adding new sections to 2007 c 522 (uncodified); creating new sections; making appropriations; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2009, and ending June 30, 2011, except as otherwise provided, out of the several funds of the state hereinafter named.

(2) Unless the context clearly requires otherwise, the definitions in this section apply throughout this act.

(a) "Fiscal year 2010" or "FY 2010" means the fiscal year ending June 30, 2010.

(b) "Fiscal year 2011" or "FY 2011" means the fiscal year ending June 30, 2011.

(c) "FTE" means full time equivalent.

(d) "Lapse" or "revert" means the amount shall return to an unappropriated status.

(e) "Provided solely" means the specified amount may be spent only for the specified purpose. Unless otherwise specifically authorized in this act, any portion of an amount provided solely for a specified purpose which is not expended subject to the specified conditions and limitations to fulfill the specified purpose shall lapse.

**PART I
GENERAL GOVERNMENT**

NEW SECTION. Sec. 101. FOR THE HOUSE OF REPRESENTATIVES

General Fund—State Appropriation (FY 2010)	\$33,500,000
General Fund—State Appropriation (FY 2011)	\$33,379,000
TOTAL APPROPRIATION	\$66,879,000

NEW SECTION. Sec. 102. FOR THE SENATE

General Fund—State Appropriation (FY 2010)	\$24,957,000
General Fund—State Appropriation (FY 2011)	\$27,182,000
TOTAL APPROPRIATION	\$52,139,000

***NEW SECTION. Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

General Fund—State Appropriation (FY 2010)	\$2,874,000
General Fund—State Appropriation (FY 2011)	\$2,884,000
TOTAL APPROPRIATION	\$5,758,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2009-11 work plan as necessary to efficiently manage workload.

(2) Within the amounts appropriated in this section, the committee shall conduct a review of the effect of risk management practices on tort payouts. This review shall include an analysis of the state's laws, policies, procedures, and practices as they relate to the conduct of post-incident reviews and the impact of such reviews on the state's conduct and liability.

(3) Within the amounts appropriated in this section, the committee shall conduct a review of the state's workplace safety and health program. The review shall examine workplace safety inspection, enforcement, training, and outreach efforts compared to other states and federal programs; analyze workplace injury and illness rates and trends in Washington; identify factors that may influence workplace safety and health; and identify practices that may improve workplace safety and health and/or impact insurance costs.

(4) Within the amounts appropriated in this section, the committee shall prepare an evaluation of the implementation of legislation designed to improve communication, collaboration, and expedited medicaid attainment with regard to persons released from confinement who have mental health or chemical dependency disorders. The review shall evaluate the implementation of: (a) Chapter 166, Laws of 2004 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of 2005 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB 1088). The departments of corrections and social and health services, the administrative office of the courts, institutions for mental disease, city and county jails, city and county courts, county clerks, and mental health and chemical dependency treatment providers shall provide the committee with information necessary for the study.

(5) Within the amount appropriated in this section, the joint legislative audit and review committee shall conduct a review of the state's recreational boating programs. This review shall include examination of the following:

- (a) Revenue sources for state recreational boating programs;
- (b) Expenditures for state boating programs;
- (c) Methods of administering state recreational boating programs, including the roles of both state and local government entities; and
- (d) Approaches other states have taken to funding and administering their recreational boating programs.

The committee shall complete the review by October 31, 2010.

(6) Within amounts appropriated in this section, the joint legislative audit and review committee shall implement Engrossed Substitute House Bill No. 2338 (growth management hearings boards).

(7) Within the amount appropriated in this section, the joint legislative audit and review committee shall examine the operations of employment and day services as provided by the department of social and health services, division of developmental disabilities and administered by the counties. The examination shall include a thorough review of the contracts for all services including, but not limited to, employment services, day services, child development services and other uses of state dollars for county administration of services to the developmentally disabled. In its final report, due to the legislature by September 1, 2010, the joint legislative audit and review committee shall provide: A description of how funds are used and the rates paid to vendors, and a recommendation on best practices the agency may use for the development of a consistent, outcome-based contract for services provided under contract with the counties.

(8) Within the amount appropriated in this section, the joint legislative audit and review committee shall conduct a study of the relationship between the cost of school districts and their enrollment size. The study shall be completed by June 2010 and shall include:

(a) An analysis of how categories of costs vary related to size, including but not limited to facility costs, transportation costs, educational costs, and administrative costs;

(b) A review of other factors that may impact costs, such as revenues available from local levies and other sources, geographic dispersion, demographics, level of services received from educational service districts, and whether districts operate a high school;

(c) Case studies on the change in cost patterns occurring after school district consolidations and for school districts operating under state oversight condition specified in RCW 28A.505.110; and

(d) A review of available research on nonfinancial benefits and impacts associated with school and school district size.

***Sec. 103 was partially vetoed. See message at end of chapter.**

NEW SECTION. Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

General Fund—State Appropriation (FY 2010)	\$1,748,000
General Fund—State Appropriation (FY 2011)	\$1,927,000
TOTAL APPROPRIATION	\$3,675,000

***NEW SECTION. Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

General Fund—State Appropriation (FY 2010)	\$200,000
General Fund—State Appropriation (FY 2011)	\$25,000
Health Care Authority Administrative Account—State Appropriation	\$735,000
Department of Retirement Systems Expense Account—State Appropriation	\$3,309,000
TOTAL APPROPRIATION	\$4,269,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$25,000 of the department of retirement systems—state appropriation is provided solely for the continued study of local government liabilities for postretirement medical benefits for members of plan 1 of the law enforcement officers' and firefighters' retirement system.

(2) \$51,000 of the department of retirement systems expense account—state appropriation is provided solely for the state actuary to contract with the Washington state institute for public policy for a study of the disability benefits provided to the plan 2 and plan 3 members of the public employees' retirement system, the teachers' retirement system, and the school employees' retirement system. Among the options the institute shall examine include statutory changes to the retirement systems and insurance products. The institute shall report its findings and recommendations to the select committee on pension policy by November 1, 2009.

(3) \$20,000 of the department of retirement systems—state appropriation is provided solely to assist the University of Washington medical center and Harborview medical center with the financial reporting of their postretirement benefits liabilities.

(4) \$175,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the office of the state actuary to conduct an independent assessment of alternatives for assuring the long-term financial solvency of the guaranteed education tuition program including suspension of the program. In conducting this review, the office may contract for assistance, and shall consult with the higher education coordinating board, the operating budget committees of the legislature, the office of financial management, and the state's public colleges and universities. The office shall report findings, an assessment of the major alternatives, and suggested actions to the governor and to the relevant legislative committees by November 15, 2009.

(5) \$735,000 of the health care authority administrative account—state appropriation is provided solely for the state actuary to conduct a study, directly or by contract, of the cost of providing health benefits for public employees. The study shall conduct a comparison of the actuarial value of health benefits provided to employees of Washington state retirement systems-participating employers, and the cost of those benefits to employees and employers. All state retirement system participating employers shall provide data requested by the state actuary to conduct the study, including the ages and genders of covered employees and dependents, counts of covered employees by medical conditions, eligibility criteria, plan design, and costs to employers and

employees by employee tier. By December 15, 2010, the state actuary shall report the findings of the study to the governor and the fiscal committees of the legislature.

*Sec. 105 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund—State Appropriation (FY 2010)	\$8,651,000
General Fund—State Appropriation (FY 2011)	\$8,519,000
TOTAL APPROPRIATION	\$17,170,000

NEW SECTION. Sec. 107. FOR THE STATUTE LAW COMMITTEE

General Fund—State Appropriation (FY 2010)	\$4,610,000
General Fund—State Appropriation (FY 2011)	\$5,029,000
TOTAL APPROPRIATION	\$9,639,000

NEW SECTION. Sec. 108. FOR THE REDISTRICTING COMMISSION

General Fund—State Appropriation (FY 2011)	\$610,000
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NEW SECTION. Sec. 109. LEGISLATIVE AGENCIES. In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, statute law committee, and redistricting commission.

NEW SECTION. Sec. 110. FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2010)	\$6,912,000
General Fund—State Appropriation (FY 2011)	\$6,948,000
TOTAL APPROPRIATION	\$13,860,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 111. FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2010)	\$1,924,000
General Fund—State Appropriation (FY 2011)	\$1,922,000
TOTAL APPROPRIATION	\$3,846,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the

greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 112. FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2010)	\$15,793,000
General Fund—State Appropriation (FY 2011)	\$15,895,000
TOTAL APPROPRIATION	\$31,688,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 113. FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund—State Appropriation (FY 2010)	\$1,032,000
General Fund—State Appropriation (FY 2011)	\$1,082,000
TOTAL APPROPRIATION	\$2,114,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2010)	\$53,607,000
General Fund—State Appropriation (FY 2011)	\$51,812,000
Judicial Information Systems Account—State Appropriation.	\$29,676,000
Judicial Stabilization Trust Account—State Appropriation.	\$6,598,000
TOTAL APPROPRIATION	\$141,693,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,800,000 of the general fund—state appropriation for fiscal year 2010 and \$1,800,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by

certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(2)(a) \$8,252,000 of the general fund—state appropriation for fiscal year 2010 and \$8,253,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2009-11 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(4) \$5,700,000 of the judicial information systems account—state appropriation is provided solely for modernization and integration of the judicial information system.

(a) Of this amount, \$1,700,000 is for the development of a comprehensive enterprise-level information technology strategy and detailed business and operational plans in support of that strategy, and \$4,000,000 is to continue to modernize and integrate current systems and enhance case management functionality on an incremental basis.

(b) The amount provided in this subsection may not be expended without prior approval by the judicial information system committee in consultation with the information services board. The administrator shall regularly submit project plan updates for approval to the judicial information system committee and the information services board.

(c) The judicial information system committee and the information services board shall review project progress on a regular basis and may require quality assurance plans. The judicial information systems committee and the information services board shall provide a report to the appropriate committees of the legislature no later than November 1, 2011, on the status of the judicial information system modernization and integration, and the consistency of the project with the state's architecture, infrastructure and statewide enterprise view of service delivery.

(5) \$3,000,000 of the judicial information systems account—state appropriation is provided solely for replacing computer equipment at state courts, and at state judicial agencies. The administrator for the courts shall prioritize equipment replacement purchasing and shall fund those items that are

most essential or critical. By October 1, 2010, the administrative office of the courts shall report to the appropriate legislative fiscal committees on expenditures for equipment under this subsection.

(6) \$12,000 of the judicial information systems account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1954 (sealing juvenile records). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(7) \$106,000 of the general fund—state appropriation for fiscal year 2010 and \$106,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the twenty-third superior court judge position in Pierce county. The funds appropriated in this subsection shall be expended only if the judge is appointed and serving on the bench.

(8) It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

Sec. 115. 2009 c 4 s 113 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE

General Fund—State Appropriation (FY 2010)	\$25,385,000
General Fund—State Appropriation (FY 2011)	\$24,592,000
Judicial Stabilization Trust Account—State	
Appropriation	\$2,923,000
TOTAL APPROPRIATION	\$52,900,000

The appropriations in this section are subject to the following conditions and limitations:

(1) It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

(2) The amounts provided include funding for expert and investigative services in death penalty personal restraint petitions.

NEW SECTION. Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID

General Fund—State Appropriation (FY 2010)	\$11,175,000
General Fund—State Appropriation (FY 2011)	\$11,105,000
Judicial Stabilization Trust Account—State	
Appropriation	\$1,160,000
TOTAL APPROPRIATION	\$23,440,000

The appropriations in this section are subject to the following conditions and limitations:

(1) An amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2010 and an amount not to exceed \$40,000 of the general fund—state appropriation for fiscal year 2011 may be used to provide

telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2) (a) through (k) regardless of household income or asset level.

(2) It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

***NEW SECTION. Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

General Fund—State Appropriation (FY 2010).....	\$5,880,000
General Fund—State Appropriation (FY 2011).....	\$5,876,000
Economic Development Strategic Reserve Account—State Appropriation.....	\$1,500,000
TOTAL APPROPRIATION	\$13,256,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2)(a) Within the funds appropriated in this section, the governor shall convene a joint legislative and executive task force on coal fired power plants.

(i) The members of the task force shall consist of:

(A) One member from each of the major caucuses of the senate, or their designees, as appointed by the president of the senate;

(B) One member from each of the major caucuses of the house, or their designees, as appointed by the speaker of the house; and

(C) The governor's designee.

(ii) The task force shall be chaired by the governor's designee.

(iii) Staff from the state energy office at the department of community, trade, and economic development, the department of revenue, and from the legislature as available, shall support the task force.

(b) The task force shall evaluate alternatives for how existing coal-fired power plants can meet the state's greenhouse gas emissions performance standard as required by Engrossed Second Substitute Senate Bill No. 5735.

(i) The task force shall review information on:

(A) The availability of alternative power production technologies;

(B) The timelines for planning, design, permitting, and construction of new power facilities;

(C) The construction and operation costs of alternatives; and

(D) Options for financing and cost recovery, including private joint ventures, government incentives, long-term purchase options, public power, and private-public partnerships.

(ii) The task force shall consider:

(A) the long-term needs for the supply of electricity in western Washington;

(B) The generation and transmission needs required to meet future supplies and sustain the electrical grid;

(C) Existing government incentives for power facilities; and

(D) Options for retaining jobs during a transition to cleaner energy facilities.

(iii) The task force shall identify barriers and opportunities for how existing coal-fired power plants can meet the state's emissions performance standard, and make recommendations for policies and incentives that could facilitate or accelerate meeting the requirements of Engrossed Second Substitute Senate Bill No. 5735.

(iv) The task force shall solicit information and advice from a broad range of experts, including representatives of:

(A) Coal-fired power plants in Washington state, and the coal-fired power industry;

(B) Clean energy industry associations;

(C) Public and investor-owned utilities that supply electricity;

(D) Financial institutions that invest in generation of electricity;

(E) Environmental groups that focus on clean energy;

(F) Federal and state agencies with jurisdiction or expertise in generation and distribution of electricity; and

(G) Others as needed.

(v) The governor shall invite representatives from the Bonneville power administration and the Northwest power and conservation council to participate on the task force.

(4) By December 1, 2010, the task force shall submit a report to the governor and appropriate standing committees of the legislature, with recommendations for policies or incentives that would facilitate and accelerate the ability of existing coal-fired power plants to meet the state's greenhouse gas emissions performance standard. The task force recommendations must include timelines for interim decision points and other benchmarks needed to meet the requirements of Engrossed Second Substitute Senate Bill No. 5735 in an orderly fashion, including consideration of the following targets:

(a) By 2012, a determination of the potential for long-term sequestration of carbon emissions in geological formations near existing coal-fired power plants;

(b) By 2015, a determination of the feasibility for deploying large-scale capture and sequestration of greenhouse gas emissions, and if determined not feasible, what alternatives will be pursued to meet the performance standard; and

(c) By 2018, a decision on the type of clean energy facility needed to meet the state's emission performance standard, including actions taken by such date to ensure compliance with the standard in a timely fashion.

(5) By June 30, 2011, and every year thereafter, the department of community, trade, and economic development shall provide a progress report to the appropriate standing committees of the legislature on the actions undertaken pursuant to this section, including actions by the owner or operator of the coal-fired power plants to progress toward compliance with the state's emissions performance standard pursuant to Engrossed Second Substitute Senate Bill No. 5735.

*Sec. 117 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 118. FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2010)	\$770,000
General Fund—State Appropriation (FY 2011)	\$788,000
General Fund—Private/Local Appropriation	\$90,000
TOTAL APPROPRIATION	\$1,648,000

NEW SECTION. Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2010)	\$2,267,000
General Fund—State Appropriation (FY 2011)	\$2,264,000
TOTAL APPROPRIATION	\$4,531,000

NEW SECTION. Sec. 120. FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2010)	\$21,370,000
General Fund—State Appropriation (FY 2011)	\$18,444,000
General Fund—Federal Appropriation	\$8,121,000
Archives and Records Management Account—State Appropriation	\$8,863,000
Department of Personnel Service Account—State Appropriation	\$760,000
Local Government Archives Account—State Appropriation	\$11,777,000
Election Account—Federal Appropriation	\$29,715,000
TOTAL APPROPRIATION	\$99,050,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$4,101,000 of the general fund—state appropriation for fiscal year 2010 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) \$1,897,000 of the general fund—state appropriation for fiscal year 2010 and \$2,076,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2009-2011 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(3) The appropriations in this section are based upon savings assumed from the implementation of Senate Bill No. 6122 (election costs).

(4) The secretary of state shall not reduce the services provided by the talking book and Braille library below the service level provided in fiscal year 2008.

(5) In implementing budget reductions, the office of the secretary of state must make its first priority to maintain funding for the elections division.

NEW SECTION. Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund—State Appropriation (FY 2010)	\$266,000
General Fund—State Appropriation (FY 2011)	\$276,000
TOTAL APPROPRIATION	\$542,000

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of personnel on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of personnel shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

NEW SECTION. Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2010)	\$236,000
General Fund—State Appropriation (FY 2011)	\$224,000
TOTAL APPROPRIATION	\$460,000

NEW SECTION. Sec. 123. FOR THE STATE TREASURER

State Treasurer's Service Account—State Appropriation.	\$14,802,000
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***NEW SECTION. Sec. 124. FOR THE STATE AUDITOR**

General Fund—State Appropriation (FY 2010)	\$722,000
General Fund—State Appropriation (FY 2011)	\$729,000
State Auditing Services Revolving Account—State Appropriation	\$12,061,000
TOTAL APPROPRIATION	\$13,512,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Audits of school districts by the division of municipal corporations shall include findings regarding the accuracy of: (a) Student enrollment data; and (b) the experience and education of the district's certified instructional staff, as reported to the superintendent of public instruction for allocation of state funding.

(2) \$722,000 of the general fund—state appropriation for fiscal year 2010 and \$729,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

(3) By November 1 of each fiscal year of the 2009-11 biennium, the state auditor shall report to the senate and house of representatives committees on ways and means on state expenditure savings achieved from the implementation of performance audits conducted by the state auditor. It is the intent of the legislature to reduce the 2009-11 legislative transfers from the performance audits of government accounts to recognize actual reductions achieved in expenditures from the state treasury as a result of these performance audits.

*Sec. 124 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2010)	\$171,000
General Fund—State Appropriation (FY 2011)	\$212,000
TOTAL APPROPRIATION	\$383,000

***NEW SECTION. Sec. 126. FOR THE ATTORNEY GENERAL**

General Fund—State Appropriation (FY 2010)	\$5,325,000
General Fund—State Appropriation (FY 2011)	\$5,654,000
General Fund—Federal Appropriation	\$4,026,000
New Motor Vehicle Arbitration Account—State Appropriation.	\$1,346,000
Legal Services Revolving Account—State Appropriation.	\$221,515,000
Tobacco Prevention and Control Account—State Appropriation.	\$270,000
TOTAL APPROPRIATION	\$238,136,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's

expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on ways and means.

(3) The office of the attorney general is authorized to expend \$2,100,000 from the Zyprexa and other cy pres awards towards consumer protection costs in accordance with uses authorized in the court orders.

(4) The attorney general shall annually report to the fiscal committees of the legislature all new cy pres awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(5) \$40,000 of the fiscal year 2010 general fund—state appropriation and \$40,000 of the fiscal year 2011 general fund—state appropriation are provided solely to implement Second Substitute Senate Bill No. 5850 (human trafficking violations). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 126 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 127. FOR THE CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2010)	\$779,000
General Fund—State Appropriation (FY 2011)	\$772,000
TOTAL APPROPRIATION	\$1,551,000

The appropriations in this section are subject to the following conditions and limitations: \$13,000 of the general fund—state appropriation for fiscal year 2010 and \$7,000 of the general fund—state appropriation for fiscal year 2011 are for the implementation of Second Substitute House Bill No. 2106 (improving child welfare outcomes through the phased implementation of strategic and proven reforms). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

***NEW SECTION. Sec. 128. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

General Fund—State Appropriation (FY 2010)	\$51,240,000
General Fund—State Appropriation (FY 2011)	\$51,938,000
General Fund—Federal Appropriation	\$384,540,000
General Fund—Private/Local Appropriation	\$16,266,000
Public Works Assistance Account—State Appropriation	\$2,990,000
Tourism Development and Promotion Account—State Appropriation	\$1,003,000
Drinking Water Assistance Administrative Account—State Appropriation	\$439,000
Lead Paint Account—State Appropriation	\$18,000
Building Code Council Account—State Appropriation	\$1,286,000
Home Security Fund Account—State Appropriation	\$23,498,000
Affordable Housing for All Account—State Appropriation	\$11,900,000

Washington Auto Theft Prevention Authority	
Account—State Appropriation	\$300,000
Independent Youth Housing Account—State Appropriation	\$80,000
Community Preservation and Development Authority	
Account—State Appropriation	\$350,000
Financial Fraud and Identity Theft Crimes Investigation	
and Prosecution Account—State Appropriation	\$1,166,000
Low-Income Weatherization Assistance Account—State	
Appropriation.	\$8,382,000
Manufacturing Innovation and Modernization	
Account—State Appropriation	\$246,000
Community and Economic Development Fee	
Account—State Appropriation	\$1,833,000
Washington Housing Trust Account—State Appropriation	\$15,372,000
Public Facility Construction Loan Revolving	
Account—State Appropriation	\$755,000
TOTAL APPROPRIATION	\$573,602,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,520,000 of the general fund—state appropriation for fiscal year 2010 and \$2,521,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a contract with the Washington technology center for work essential to the mission of the Washington technology center and conducted in partnership with universities.

(2) Repayments of outstanding loans granted under RCW 43.63A.600, the mortgage and rental assistance program, shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(3) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement section 2(7) of Engrossed Substitute House Bill No. 1959 (land use and transportation planning for marine container ports).

(4) \$102,000 of the building code council account—state appropriation is provided solely for the implementation of sections 3 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built environment pollution). If sections 3 and 7 of the bill are not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(5)(a) \$10,500,000 of the general fund—federal appropriation is provided for training and technical assistance associated with low income weatherization programs. Subject to federal requirements, the department shall provide: (i) Up to \$4,000,000 to the state board for community and technical colleges to provide workforce training related to weatherization and energy efficiency; (ii) up to \$3,000,000 to the Bellingham opportunity council to provide workforce training related to energy efficiency and weatherization; and (iii) up to \$3,500,000 to community-based organizations and to community action agencies consistent with the provisions of Engrossed Second Substitute House Bill No. 2227

(evergreen jobs act). Any funding remaining shall be expended in project 91000013, weatherization, in the omnibus capital appropriations act, Substitute House Bill No. 1216 (capital budget).

(b) \$6,787,000 of the general fund—federal appropriation is provided solely for the state energy program, including not less than \$5,000,000 to provide credit enhancements consistent with the provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy efficiency in buildings).

(c) Of the general fund—federal appropriation the department shall provide: \$14,500,000 to the Washington State University for the purpose of making grants for pilot projects providing community-wide urban, residential, and commercial energy efficiency upgrades consistent with the provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington State University to conduct farm energy assessments. In contracting with the Washington State University for the provision of these services, the total administration of Washington State University and the department shall not exceed 3 percent of the amounts provided.

(d) \$38,500,000 of the general fund—federal appropriation is provided for deposit in the energy recovery act account to establish a revolving loan program, consistent with the provisions of Engrossed Substitute House Bill No. 2289 (expanding energy freedom program).

(e) \$10,646,000 of the general fund—federal appropriation is provided pursuant to the energy efficiency and conservation block grant under the American reinvestment and recovery act. The department may use up to \$3,000,000 of the amount provided in this subsection to provide technical assistance for energy programs administered by the agency under the American reinvestment and recovery act.

(6) \$14,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5560 (state agency climate leadership). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(7) Associate development organizations receiving funding through the appropriations in this section shall work with the community and technical colleges to better align workforce and economic development programs within industry clusters identified by the associate development associations as necessary to deploy funds in response to high-demand fields and consistent with Engrossed Second Substitute Senate Bill No. 5809 (revising unemployment compensation and workforce training provisions). The workforce programs should be consistent with industry clusters identified by the associate development organization and approved by a private industry partner within the industry cluster.

(8) \$22,400,000 of the general fund—federal appropriation is provided solely for the justice assistance grant program and is contingent upon the department transferring: \$1,200,000 to the department of corrections for security threat mitigation, \$2,336,000 to the department of corrections for offender reentry, \$1,960,000 to the Washington state patrol for law enforcement activities, \$2,087,000 to the department of social and health services, division of alcohol and substance abuse for drug courts, and \$428,000 to the department of

social and health services for sex abuse recognition training. The remaining funds shall be distributed by the department to local jurisdictions.

(9) \$20,000 of the general fund—state appropriation for fiscal year 2010 and \$20,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a grant to KCTS public television to support Spanish language programming and the V-me Spanish language channel.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2010 and \$500,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a grant to resolution Washington to building statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(11) \$76,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5840 (energy independence). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(12) \$30,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 6015 (commercialization of technology). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(13) By June 30, 2011, the department shall request information that describes what jurisdictions have adopted, or are in the process of adopting, plans that address RCW 36.70A.020 and helps achieve the greenhouse gas emission reductions established in RCW 70.235.020. This information request in this subsection applies to jurisdictions that are required to review and if necessary revise their comprehensive plans by December 1, 2011, in accordance with RCW 36.70A.130.

(14) During the 2009-11 fiscal biennium, the department shall allot all of its appropriations subject to allotment by object, account, and expenditure authority code to conform with the office of financial management's definition of an option 2 allotment. For those funds subject to allotment but not appropriation, the agency shall submit option 2 allotments to the office of financial management.

(15) A county receiving funds pursuant to RCW 36.22.178, 36.22.179, and 36.22.1791, shall, within that funding:

(a) Beginning July 1, 2009, include a life-cycle cost analysis program as one of the criteria in deciding which proposals to award funds. "Life-cycle cost analysis" means an analysis of the total discounted dollar cost of owning, operating, maintaining, and disposing of a building or building system to compare the cost of capital developments to vouchers, and to compare the cost of two or more competing development proposals.

(b) By September 30, 2009, and September 30, 2010, submit to the department of community, trade, and economic development a report describing the distribution of the funds. The report shall include:

- (i) A description of the process used by the county for allocating funds;***
- (ii) The use of funds including, but not limited to, housing vouchers, program services, and housing projects; and***
- (iii) The criteria used for making funding allocation decisions.***

(c) By December 1st of each year, the department of community, trade, and economic development shall prepare a report to the legislature and the office of financial management compiling the reports submitted under (b) of this subsection. For the funds collected under RCW 36.22.178, 36.22.179, and 36.22.1791, and allocated by the department to entities other than counties, this report must also include:

(i) A description of the process used by the department for allocating funds;

(ii) The use of funds including, but not limited to, housing vouchers, program services, and housing projects; and

(iii) The criteria used for making funding allocation decisions.

(16) \$50,000 of the general fund—state appropriation for fiscal year 2010 and \$50,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a grant for the state's participation in the Pacific Northwest economic region.

(17) The Washington state economic development commission shall review existing state infrastructure programs which are focused on economic development and provide analysis, findings, and recommendations to the legislature and governor on preferred policy priorities and funding options for existing programs and possible revised or new programs to best ensure successful state economic efforts which are: (a) Aligned with the state's comprehensive plan for economic development; (b) responding to emerging economic conditions and opportunities; (c) improving local capacity; (d) maximizing results through partnerships and leveraging private capital; and (e) providing accountability to the public, the executive branch, and the legislative branch. The commission shall submit its report to the governor and the legislature by December 1, 2009.

(18) \$712,000 of the general fund—state appropriation for fiscal year 2010 and \$712,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to the office of crime victims advocacy. These funds shall be contracted with the 39 county prosecuting attorneys' offices to support victim-witness services. The funds must be prioritized to ensure a full-time victim-witness coordinator in each county. The office may retain only the amount currently allocated for this activity for administrative costs.

(19) \$306,000 of the general fund—state appropriation for fiscal year 2010 and \$306,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a grant to the retired senior volunteer program.

(20) \$65,000 of the general fund—state appropriation for fiscal year 2010 and \$65,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

(21) \$371,000 of the general fund—state appropriation for fiscal year 2010 and \$371,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to the northwest agriculture business center.

(22) The department shall administer its growth management act technical assistance so that smaller cities receive proportionately more assistance than

larger cities or counties. Pass-through grants shall continue to be funded under 2007-09 policy.

(23) \$212,000 of the general fund—federal appropriation is provided solely for implementation of Second Substitute House Bill No. 1172 (development rights transfer). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(24) \$24,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for implementation of Second Substitute House Bill No. 1797 (rural and resource lands study). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(25) \$69,000 of the general fund—state appropriation for fiscal year 2010 and \$66,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2227 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(26) \$350,000 of the community development and preservation authority account—state appropriation is provided solely for a grant to a community development authority established under chapter 43.167 RCW. The community preservation and development's board of directors may contract with nonprofit community organizations to aid in mitigating the effects of increased public impact on urban neighborhoods due to events in stadia that have a capacity of over 50,000 spectators.

(27) \$300,000 of the Washington auto theft prevention authority account—state appropriation is provided solely for a contract with a community group to build local community capacity and economic development within the state by strengthening political relationships between economically distressed communities and governmental institutions. The community group shall identify opportunities for collaboration and initiate activities and events that bring community organizations, local governments, and state agencies together to address the impacts of poverty, political disenfranchisement, and economic inequality on communities of color. These funds must be matched by other nonstate sources on an equal basis.

(28) \$1,800,000 of the home security fund—state appropriation is provided for transitional housing assistance or partial payments for rental assistance under the independent youth housing program.

(29) \$5,000,000 of the home security fund—state appropriation is provided solely for the operation, repair, and staffing of shelters in the homeless family shelter program.

**Sec. 128 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund—State Appropriation (FY 2010)	\$727,000
General Fund—State Appropriation (FY 2011)	\$793,000
TOTAL APPROPRIATION	\$1,520,000

NEW SECTION. Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2010)	\$22,163,000
General Fund—State Appropriation (FY 2011)	\$20,792,000
General Fund—Federal Appropriation	\$23,597,000

General Fund—Private/Local Appropriation	\$1,270,000
State Auditing Services Revolving Account—State Appropriation	\$25,000
Economic Development Strategic Reserve Account— State Appropriation	\$280,000
TOTAL APPROPRIATION	\$68,127,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$188,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the implementation of Second Substitute Senate Bill No. 5945 (Washington health partnership plan). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(2) The office of financial management shall conduct a study on alternatives for consolidating or transferring activities and responsibilities of the state lottery commission, state horse racing commission, state liquor control board, and the state gambling commission to achieve cost savings and regulatory efficiencies. In conducting the study, the office of financial management shall consult with the legislative fiscal committees. Further, the office of financial management shall establish an advisory group to include, but not be limited to, representatives of affected businesses, state agencies or entities, local governments, and stakeholder groups. The office of financial management shall submit a final report to the governor and the legislative fiscal committees by November 15, 2009.

(3) \$500,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for a study of the feasibility of closing state institutional facilities and a plan on eliminating beds in the state institutional facility inventory. The office of financial management shall contract with consultants with expertise related to the subject matters included in this study. The office of financial management and the consultants shall consult with the department of social and health services, the department of corrections, stakeholder groups that represent the people served in these institutions, labor organizations that represent employees who work in these institutions and other persons or entities with expertise in the areas being studied.

(a) For the purposes of this study, "state institutional facilities" means facilities operated by the department of corrections to house persons convicted of a criminal offense, Green Hill school and Maple Lane school operated by the department of social and health services juvenile rehabilitation administration, and residential habilitation centers operated by the department of social and health services.

(b) In conducting this study, the consultants shall consider the following factors as appropriate:

(i) The availability of alternate facilities including alternatives and opportunities for consolidation with other facilities, impacts on those alternate facilities, and any related capital costs;

(ii) The cost of operating the facility, including the cost of providing services and the cost of maintaining or improving the physical plant of the facility;

(iii) The geographic factors associated with the facility, including the impact of the facility on the local economy and the economic impact of its closure, and alternative uses for a facility recommended for closure;

(iv) The costs associated with closing the facility, including the continuing costs following the closure of the facility;

(v) Number and type of staff and the impact on the facility staff including other employment opportunities if the facility is closed;

(vi) The savings that will accrue to the state from closure or consolidation of a facility and the impact any closure would have on funding the associated services; and

(vii) For the residential habilitation centers, the impact on clients in the facility being recommended for closure and their families, including ability to get alternate services and impact on being moved to another facility.

(c) The office of financial management shall submit a final report to the governor and the ways and means committees of the house of representatives and senate by November 1, 2009. The report shall provide a recommendation and a plan to eliminate 1,580 beds in the department of corrections facilities, 235 beds from juvenile rehabilitation facilities, and 250 funded beds in the residential habilitation centers through closure or consolidation of facilities. The report shall include an assessment of each facility studied, where and how the services should be provided, and any costs or savings associated with each recommendation. In considering the recommendations of the report, the governor and the legislature shall not consider closure of any state institutional facility unless the report recommended the facility for closure.

NEW SECTION. Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving

Account—State Appropriation \$33,473,000

NEW SECTION. Sec. 132. FOR THE DEPARTMENT OF PERSONNEL

Department of Personnel Service Account—State

Appropriation. \$22,025,000

Higher Education Personnel Services Account—State

Appropriation. \$1,716,000

TOTAL APPROPRIATION \$23,741,000

The appropriations in this section are subject to the following conditions and limitations: The department shall coordinate with the governor's office of Indian affairs on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

NEW SECTION. Sec. 133. FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State Appropriation \$27,776,000

NEW SECTION. Sec. 134. FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund—State Appropriation (FY 2010)	\$253,000
General Fund—State Appropriation (FY 2011)	\$260,000
TOTAL APPROPRIATION	\$513,000

NEW SECTION. Sec. 135. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2010)	\$243,000
General Fund—State Appropriation (FY 2011)	\$244,000
TOTAL APPROPRIATION	\$487,000

NEW SECTION. Sec. 136. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS

Department of Retirement Systems Expense	
Account—State Appropriation	\$49,504,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$148,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of Senate Bill No. 5303 (transferring members of retirement systems). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(2) \$66,000 of the department of retirement systems expense account—state appropriation is provided for the department of retirement systems to make revisions to various administrative processes as necessary to implement Engrossed Second Substitute Senate Bill No. 5688 (registered domestic partners). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$12,000 of the department of retirement systems—state appropriation is provided solely for the administrative costs associated with implementation of Senate Bill No. 5542 or House Bill No. 1678 (minimum disability benefits). If neither bill is enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(4) \$45,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1445 (Washington state patrol retirement system domestic partners). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(5) \$45,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Engrossed House Bill No. 1616 (law enforcement officers' and firefighters' retirement system plan 2 domestic partners). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(6) \$56,000 of the department of retirement systems expense account—state appropriation is provided solely to implement House Bill No. 1548 (military service credit purchases). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(7) \$35,000 of the department of retirement systems expense account—state appropriation is provided solely to implement Substitute House Bill No. 1953 (department of fish and wildlife enforcement officers' past service credit). If the

bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

***NEW SECTION. Sec. 137. FOR THE DEPARTMENT OF REVENUE**

General Fund—State Appropriation (FY 2010)	\$109,412,000
General Fund—State Appropriation (FY 2011)	\$108,505,000
Timber Tax Distribution Account—State Appropriation	\$5,904,000
Waste Reduction/Recycling/Litter	
Control—State Appropriation	\$130,000
Waste Tire Removal Account—State Appropriation	\$2,000
Real Estate Excise Tax Grant Account—State	
Appropriation.	\$1,050,000
State Toxics Control Account—State Appropriation	\$87,000
Oil Spill Prevention Account—State Appropriation	\$19,000
TOTAL APPROPRIATION	\$225,109,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$469,000 of the general fund—state appropriation for fiscal year 2010 and \$374,000 of the general fund—state appropriation for fiscal year 2011 are for the implementation of Substitute Senate Bill No. 5368 (annual property revaluation). If the bill is not enacted by June 30, 2009, the amounts in this subsection shall lapse.

(2) \$5,453,000 of the general fund—state appropriation for fiscal year 2010 and \$5,242,000 of the general fund—state appropriation for fiscal year 2011 are for the implementation of revenue enhancement strategies. The strategies must include increased out-of-state auditing and compliance, the purchase of third party data sources for enhanced audit selection, and increased traditional auditing and compliance efforts.

(3) \$3,127,000 of the general fund—state appropriation for fiscal year 2010 and \$1,737,000 of the general fund—state appropriation for fiscal year 2011 are for the implementation of Senate Bill No. 6173 (sales tax compliance). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(4) \$97,000 of the general fund—state appropriation for fiscal year 2010 is for the implementation of Substitute House Bill No. 1597 (tax administration). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

*Sec. 137 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 138. FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account—State	
Appropriation.	\$29,581,000

The appropriation in this section is subject to the following conditions and limitations:

(1) \$2,471,000 of the state investment board expense account—state appropriation is provided solely for development of a risk management information system, with the intent that further expenditures for this project be made only by appropriation.

(2) The state investment board shall include funding for any future salary increases authorized under RCW 43.33A.100 in the agency's budget request submitted in accordance with chapter 43.88 RCW in advance of granting related salary increases. The biennial salary survey required under RCW 43.33A.100 shall also be provided to the office of financial management and to the fiscal committees of the legislature as part of the state investment board's biennial budget submittal, and shall include the total amount of compensation increases proposed, as well as recommended salary ranges.

NEW SECTION. Sec. 139. FOR THE BOARD OF TAX APPEALS

General Fund—State Appropriation (FY 2010)	\$1,364,000
General Fund—State Appropriation (FY 2011)	\$1,368,000
TOTAL APPROPRIATION	\$2,732,000

NEW SECTION. Sec. 140. FOR THE MUNICIPAL RESEARCH COUNCIL

County Research Services Account—State Appropriation	\$940,000
City and Town Research Services—State Appropriation	\$4,515,000
TOTAL APPROPRIATION	\$5,455,000

NEW SECTION. Sec. 141. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account—State Appropriation	\$3,622,000
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NEW SECTION. Sec. 142. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

General Fund—State Appropriation (FY 2010)	\$815,000
General Fund—State Appropriation (FY 2011)	\$811,000
General Fund—Federal Appropriation	\$5,738,000
General Administration Service Account—State Appropriation	\$35,044,000
TOTAL APPROPRIATION	\$42,408,000

The appropriations in this section are subject to the following conditions and limitations: \$28,000 of the general fund—state appropriation for fiscal year 2010 and \$28,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the purposes of section 8 of Engrossed Second Substitute Senate Bill No. 5854 (built environment pollution). If section 8 of the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 143. FOR THE DEPARTMENT OF INFORMATION SERVICES

General Fund—State Appropriation (FY 2010)	\$1,104,000
General Fund—State Appropriation (FY 2011)	\$1,104,000
General Fund—Federal Appropriation	\$701,000
Data Processing Revolving Account—State Appropriation	\$7,824,000
TOTAL APPROPRIATION	\$10,733,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the purposes of Engrossed Second Substitute House Bill No.

1701 (high-speed internet), including expenditure for deposit to the community technology opportunity account. If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(2) The department shall implement some or all of the following strategies to achieve savings on information technology expenditures through: (a) Holistic virtualization strategies; (b) wide-area network optimization strategies; (c) replacement of traditional telephone communications systems with alternatives; and (d) migration of external voice mail systems to internal voice mail systems coordinated by the department. The department shall report to the office of financial management and the fiscal committees of the legislature semiannually on progress made towards the implementation of savings strategies and the savings realized to date. No later than June 30, 2011, the department shall submit a final report on its findings and savings realized to the office of financial management and the fiscal committees of the legislature.

NEW SECTION. Sec. 144. FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	\$1,943,000
Insurance Commissioners Regulatory Account—State	
Appropriation	\$47,978,000
TOTAL APPROPRIATION	\$49,921,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$410,000 of the insurance commissioner's regulatory account appropriation is provided solely to implement Substitute Senate Bill No. 5480 (discount health plans). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(2) \$598,000 of the insurance commissioner's regulatory account appropriation is provided solely to implement Substitute Senate Bill No. 5195 (life settlements model act). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$551,000 of the insurance commissioner's regulatory account appropriation is provided solely to implement Second Substitute Senate Bill No. 5346 (health care administration simplification). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 145. FOR THE BOARD OF ACCOUNTANCY
Certified Public Accountants' Account—State

Appropriation	\$3,016,000
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NEW SECTION. Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State Appropriation	\$280,000
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The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the death investigation account appropriation is provided solely for providing financial assistance to local jurisdictions in multiple death investigations. The forensic investigation council shall develop criteria for awarding these funds for multiple death investigations involving an unanticipated, extraordinary, and catastrophic event or those involving multiple jurisdictions.

NEW SECTION. Sec. 147. FOR THE HORSE RACING COMMISSION

Horse Racing Commission Operating Account—State

Appropriation \$5,123,000

The appropriation in this section is subject to the following conditions and limitations: Pursuant to RCW 43.135.055, the commission is authorized to increase licensing fees during the 2009-2011 fiscal biennium as necessary to support the appropriation in this section.

***NEW SECTION. Sec. 148. FOR THE LIQUOR CONTROL BOARD**
Liquor Control Board Construction and Maintenance

Account—State Appropriation \$8,817,000
 Liquor Revolving Account—State Appropriation \$200,506,000
 TOTAL APPROPRIATION \$209,323,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,306,000 of the liquor revolving account—state appropriation is provided solely for the liquor control board to open five new state stores.

(2) \$40,000 of the liquor revolving account—state appropriation is provided solely for the liquor control board to open ten new contract stores.

(3) \$3,059,000 of the liquor revolving account—state appropriation is provided solely for the liquor control board to increase state and local revenues from new retail strategies including opening nine state stores on Sunday, opening state liquor stores on seven holidays, opening six mall locations during the holiday season, and increasing lottery sales.

(4) \$173,000 of the liquor revolving account—state appropriation is provided solely for the Engrossed House Bill No. 2040 (beer and wine regulation commission). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(5) If Senate Bill No. 6065 is not enacted by June 30, 2009, the liquor revolving account appropriation in this section shall be increased by \$728,000.

*Sec. 148 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers'

Administrative Account—State Appropriation \$1,044,000

NEW SECTION. Sec. 150. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Public Service Revolving Account—State Appropriation \$31,306,000
 Pipeline Safety Account—State Appropriation \$3,194,000
 Pipeline Safety Account—Federal Appropriation \$1,536,000
 TOTAL APPROPRIATION \$36,036,000

NEW SECTION. Sec. 151. FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2010) \$10,244,000
 General Fund—State Appropriation (FY 2011) \$10,290,000
 General Fund—Federal Appropriation \$149,101,000
 Enhanced 911 Account—State Appropriation \$39,598,000
 Disaster Response Account—State Appropriation \$28,194,000

Disaster Response Account—Federal Appropriation	\$91,263,000
Military Department Rent and Lease Account—State Appropriation.	\$615,000
Military Department Active State Service Account—Federal Appropriation.	\$200,000
Worker and Community Right-to-Know Account—State Appropriation.	\$341,000
Nisqually Earthquake Account—State Appropriation	\$144,000
Nisqually Earthquake Account—Federal Appropriation	\$856,000
TOTAL APPROPRIATION	\$330,846,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$28,194,000 of the disaster response account—state appropriation and \$91,263,000 of the disaster response account—federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2009-2011 biennium based on current revenue and expenditure patterns.

(2) \$144,000 of the Nisqually earthquake account—state appropriation and \$856,000 of the Nisqually earthquake account—federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2009-2011 biennium based on current revenue and expenditure patterns.

(3) \$85,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee;

(b) The department shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; incremental changes from the previous estimate, planned and actual homeland

security expenditures by the state and local governments with this federal funding; and matching or accompanying state or local expenditures; and

(c) The department shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing homeland security revenues and expenditures for the previous fiscal year by county and legislative district.

(4) \$500,000 of the general fund—state appropriation for fiscal year 2010 and \$500,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the military department to contract with the Washington information network 2-1-1 to operate a statewide 2-1-1 system. The department shall provide the entire amount for 2-1-1 and shall use any of the funds for administrative purposes.

***NEW SECTION. Sec. 152. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund—State Appropriation (FY 2010)	\$3,128,000
General Fund—State Appropriation (FY 2011)	\$3,130,000
Department of Personnel Service Account—State Appropriation	\$3,290,000
TOTAL APPROPRIATION	\$9,548,000

The appropriations in this section are subject to the following conditions and limitations: \$30,000 of the general fund—state appropriation for fiscal year 2010 and \$20,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Substitute House Bill No. 1329 (child care center bargaining). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 152 was partially vetoed. See message at end of chapter.

***NEW SECTION. Sec. 153. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund—State Appropriation (FY 2010)	\$1,418,000
General Fund—State Appropriation (FY 2011)	\$1,380,000
General Fund—Federal Appropriation	\$1,653,000
General Fund—Private/Local Appropriation	\$14,000
TOTAL APPROPRIATION	\$4,465,000

The appropriations in this section are subject to the following conditions and limitations: \$44,000 of the general fund—state appropriation for fiscal year 2010 and \$22,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Second Substitute House Bill No. 1090 (human remains). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 153 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 154. FOR THE GROWTH MANAGEMENT HEARINGS BOARD

General Fund—State Appropriation (FY 2010)	\$1,674,000
General Fund—State Appropriation (FY 2011)	\$1,549,000
TOTAL APPROPRIATION	\$3,223,000

NEW SECTION. Sec. 155. FOR THE STATE CONVENTION AND TRADE CENTER

State Convention and Trade Center Account—State

Appropriation. \$60,127,000

State Convention and Trade Center Operating

Account—State Appropriation \$56,995,000

TOTAL APPROPRIATION \$117,122,000

**PART II
HUMAN SERVICES**

NEW SECTION. Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES. (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons, nor expand beyond one county, during the 2009-2011 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot project, times the number of clients enrolled in the pilot project. In implementing the WMIP pilot projects, the department may:

(a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots;

and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(5) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2010, unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year 2010 among programs after approval by the director of financial management.

(6) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM

General Fund—State Appropriation (FY 2010)	\$315,241,000
General Fund—State Appropriation (FY 2011)	\$317,248,000
General Fund—Federal Appropriation	\$496,509,000
General Fund—Private/Local Appropriation	\$828,000
Home Security Fund Appropriation	\$8,389,000
Domestic Violence Prevention Account—State Appropriation	\$1,154,000
Education Legacy Trust Account—State Appropriation	\$725,000
TOTAL APPROPRIATION	\$1,140,094,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) \$5,563,000 of the general fund—state appropriation for fiscal year 2010 and \$5,563,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for intensive family preservation services as defined in RCW 74.14C.010 and for evidence-based services that prevent out-of-home placement and reduce length of stay in the child welfare system.
- (2) \$993,000 of the general fund—state appropriation for fiscal year 2010 and \$993,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to seventeen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and

support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2008 [2010], \$375,000 of the general fund—state appropriation for fiscal year 2009 [2011], and \$322,000 of the general fund—federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$2,500,000 of the general fund—state appropriation for fiscal year 2010 and \$2,500,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for secure crisis residential centers. Within appropriated amounts, the department shall collaborate with providers to maintain no less than forty-five beds that are geographically representative of the state. The department shall examine current secure crisis residential staffing requirements, flexible payment options, center specific waivers, and other appropriate methods to accomplish this outcome.

(5) A maximum of \$76,831,000 of the general fund—state appropriations and \$56,901,000 of the general fund—federal appropriations for the 2009-11 biennium shall be expended for behavioral rehabilitative services and these amounts are provided solely for this purpose. The department shall work with behavioral rehabilitative service providers to decrease the length of stay through improved emotional, behavioral, or medical outcomes for children in behavioral rehabilitative services in order to achieve the appropriated levels.

(a) Contracted providers shall act in good faith and accept the hardest to place children, to the greatest extent possible, in order to improve their emotional, behavioral, or medical conditions.

(b) The department and the contracted provider shall mutually agree and establish an exit date for when the child is to exit the behavioral rehabilitative service provider. The department and the contracted provider should mutually agree, to the greatest extent possible, on a viable placement for the child to go to once the child's treatment process has been completed. The child shall exit only when the emotional, behavioral, or medical condition has improved or if the provider has not shown progress toward the outcomes specified in the signed contract at the time of exit. This subsection (b) does not prevent or eliminate the department's responsibility for removing the child from the provider if the child's emotional, behavioral, or medical condition worsens or is threatened.

(c) The department is encouraged to use performance-based contracts with incentives directly tied to outcomes described in this section. The contracts should incentivize contracted providers to accept the hardest to place children and incentivize improvement in children's emotional, mental, and medical well-being within the established exit date. The department is further encouraged to increase the use of behavioral rehabilitative service group homes, wrap around

services to facilitate and support placement of youth with relatives, and other means to control expenditures.

(d) The total foster care per capita amount shall not increase more than four percent in the 2009-11 biennium and shall not include behavioral rehabilitative service.

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(7) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington state institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(8) \$37,000 of the general fund—state appropriation for fiscal year 2010, \$37,000 of the general fund—state appropriation for fiscal year 2011, and \$32,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 465, Laws of 2007 (child welfare).

(9) \$125,000 of the general fund—state appropriation for fiscal year 2010 and \$125,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for continuum of care services. \$100,000 of this amount is for Casey family partners and \$25,000 of this amount is for volunteers of America crosswalk in fiscal year 2010. \$100,000 of this amount is for Casey family partners and \$25,000 of this amount is for volunteers of America crosswalk in fiscal year 2011.

(10) \$616,000 of the general fund—state appropriation for fiscal year 2010, \$616,000 of the general fund—state appropriation for fiscal year 2011, and \$368,000 of the general fund—federal appropriation are provided solely to contract with medical professionals for comprehensive safety assessments of high-risk families. The safety assessments will use validated assessment tools to guide intervention decisions through the identification of additional safety and risk factors. \$800,000 of this amount is for comprehensive safety assessments for families receiving in-home child protective services or family voluntary services. \$800,000 of this amount is for comprehensive safety assessments of families with an infant age birth to fifteen days where the infant was, at birth, diagnosed as substance exposed and the department received an intake referral related to the infant due to the substance exposure.

(11) \$7,970,000 of the general fund—state appropriation for fiscal year 2010, \$7,711,000 of the general fund—state appropriation for fiscal year 2011, and \$5,177,000 of the general fund—federal appropriation are provided solely for court-ordered supervised visits between parents and dependent children and for sibling visits. The department shall work collaboratively with the juvenile dependency courts to stay within appropriations without impeding reunification outcomes between parents and dependent children. The department shall report to the legislative fiscal committees quarterly, the number of children in foster care who receive supervised visits, their frequency, length of time of each visit, and whether reunification is attained.

(12) \$1,789,000 of the home security fund—state appropriation is provided solely for street youth program services.

(13) \$1,584,000 of the general fund—state appropriation for fiscal year 2010, \$1,584,000 of the general fund—state appropriation for fiscal year 2011, and \$1,586,000 of the general fund—federal appropriation are provided solely for the department to recruit foster parents. The recruitment efforts shall include collaborating with community-based organizations and current or former foster parents to recruit foster parents.

(14) \$725,000 of the education legacy trust account—state appropriation is provided solely for children's administration to contract with an educational advocacy provider with expertise in foster care educational outreach. Funding is provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems. Funding shall be prioritized to regions with high numbers of foster care youth and/or regions where backlogs of youth that have formerly requested educational outreach services exist.

(15) \$1,300,000 of the home security fund account—state appropriation is provided solely for HOPE beds.

(16) \$5,300,000 of the home security fund account—state appropriation is provided solely for the crisis residential centers.

(17) The appropriations in this section reflect reductions in the appropriations for the children's administration administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(18) Within the amounts appropriated in this section, the department shall contract for a pilot project with family and community networks in Whatcom county and up to four additional counties to provide services. The pilot project shall be designed to provide a continuum of services that reduce out-of-home placements and the lengths of stay for children in out-of-home placement. The department and the community networks shall collaboratively select the additional counties for the pilot project and shall collaboratively design the contract. Within the framework of the pilot project, the contract shall seek to maximize federal funds. The pilot project in each county shall include the creation of advisory and management teams which include members from neighborhood-based family advisory committees, residents, parents, youth, providers, and local and regional department staff. The Whatcom county team shall facilitate the development of outcome-based protocols and policies for the pilot project and develop a structure to oversee, monitor, and evaluate the results of the pilot projects. The department shall report the costs and savings of the pilot project to the appropriate committees of the legislature by November 1 of each year.

(19) \$157,000 of the general fund—state appropriation for fiscal year 2010 and \$157,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department to contract with a nonprofit entity for a reunification pilot project in Whatcom and Skagit counties. The contract for the reunification pilot project shall include a rate of \$46.16 per hour for evidence-based interventions, in combination with supervised visits, to provide 3,564 hours of services to reduce the length of stay for children in the child welfare system. The contract shall also include evidence-based intensive parenting skills

building services and family support case management services for 38 families participating in the reunification pilot project. The contract shall include the flexibility for the nonprofit entity to subcontract with trained providers.

(20) \$303,000 of the general fund—state appropriation for fiscal year 2010, \$418,000 of the general fund—state appropriation for fiscal year 2011, and \$257,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 1961 (increasing adoptions act). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(21) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department to contract with an agency that is working in partnership with, and has been evaluated by, the University of Washington school of social work to implement promising practice constellation hub models of foster care support.

(22) The legislature intends for the department to reduce the time a child remains in the child welfare system. The department shall establish a measurable goal and report progress toward meeting that goal to the legislature by January 15 of each fiscal year of the 2009-11 fiscal biennium. To the extent that actual caseloads exceed those assumed in this section, it is the intent of the legislature to address those issues in a manner similar to all other caseload programs.

NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2010)	\$104,870,000
General Fund—State Appropriation (FY 2011)	\$93,081,000
General Fund—Federal Appropriation	\$6,565,000
General Fund—Private/Local Appropriation	\$1,900,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$3,896,000
Juvenile Accountability Incentive Account—Federal	
Appropriation	\$2,801,000
TOTAL APPROPRIATION	\$213,113,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$353,000 of the general fund—state appropriation for fiscal year 2010 and \$353,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$3,578,000 of the general fund—state appropriation for fiscal year 2010 and \$3,578,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to

provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$3,716,000 of the general fund—state appropriation for fiscal year 2010 and \$3,716,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$1,506,000 of the general fund—state appropriation for fiscal year 2010 and \$1,506,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) \$3,066,000 of the general fund—state appropriation for fiscal year 2010 and \$3,066,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs, or other programs with a positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) \$1,287,000 of the general fund—state appropriation for fiscal year 2010 and \$1,287,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions, and aggression replacement training. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7)(a) For the fiscal year ending June 30, 2010, the juvenile rehabilitation administration shall administer a block grant, rather than categorical funding, of consolidated juvenile service funds, community juvenile accountability act grants, the chemical dependency disposition alternative funds, the special sex offender disposition alternative funds, the mental health disposition alternative, sentencing disposition alternative, and evidence-based program expansion grants to juvenile courts for the purpose of serving youth adjudicated in the juvenile justice system. Evidence-based programs, based on the criteria established by the Washington state institute for public policy, and disposition

alternatives will be funding priorities. Funds may be used for promising practices when approved by juvenile rehabilitation administration, based on criteria established in consultation with Washington state institute for public policy and the juvenile courts.

By September 1, 2009, a committee with four members, in consultation with Washington state institute for public policy, shall develop a funding formula that takes into account the juvenile courts average daily population of program eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative. The committee shall have one representative from the juvenile rehabilitation administration, one representative from the office of financial management, one representative from the office of the administrator of the courts, and one representative from the juvenile courts. Decision making will be by majority rule.

By September 1, 2010, the Washington state institute for public policy shall provide a report to the office of financial management and the legislature on the administration of the block grant authorized in this subsection. The report shall include the criteria used for allocating the funding as a block grant and the participation targets and actual participation in the programs subject to the block grant.

(b) By December 1, 2009, the committee established in (a) of this subsection, in consultation with Washington state institute for public policy, shall propose to the office of financial management and the legislature changes in the process of funding and managing, including accountability and information collection and dissemination, grants to juvenile courts for serving youth adjudicated in the juvenile court system use in the fiscal year ending June 30, 2011. The proposal shall include, but is not limited to: A process of making a block grant of funds consistent with (a) of this subsection; a program of data collection and measurement criteria for receiving the funds which will include targets of the number of youth served in identified evidence-based programs and disposition alternatives in which the juvenile courts and office of the administrator of the courts will have responsibility for collecting and distributing information and providing access to the data systems to the juvenile rehabilitation administration and the Washington state institute for public policy related to program and outcome data; and necessary changes to the Washington administrative code.

(c) Within the funds provided for criminal justice analysis in section 610(4) of this act, the Washington state institute for public policy shall conduct an analysis of the costs per participant of evidence-based programs by the juvenile courts and by December 1, 2009, shall report the results of this analysis to the juvenile rehabilitation administration, the juvenile courts, office of the administrator of the courts, the office of financial management, and the fiscal committees of the legislature.

(8) \$3,700,000 of the Washington auto theft prevention authority account—state appropriation is provided solely for competitive grants to community-based organizations to provide at-risk youth intervention services, including but not limited to, case management, employment services, educational services, and street outreach intervention programs. Projects funded should focus on preventing, intervening, and suppressing behavioral problems and violence while linking at-risk youth to pro-social activities. The department may not

expend more than \$1,850,000 per fiscal year. The costs of administration must not exceed four percent of appropriated funding for each grant recipient. Each entity receiving funds must report to the juvenile rehabilitation administration on the number and types of youth served, the services provided, and the impact of those services upon the youth and the community.

***NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM**

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund—State Appropriation (FY 2010)	\$266,677,000
General Fund—State Appropriation (FY 2011)	\$296,619,000
General Fund—Federal Appropriation	\$463,180,000
General Fund—Private/Local Appropriation	\$14,868,000
TOTAL APPROPRIATION	\$1,041,344,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$113,689,000 of the general fund—state appropriation for fiscal year 2010 and \$113,689,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$11,606,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2009 prior to supplemental budget reductions. This \$11,606,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$16,900,000 of the general fund—state appropriation for fiscal year 2010 and \$16,900,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department and regional support networks to contract for implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches that the department concurs will enable the regional support network to achieve significant reductions in the number of beds the regional support network would otherwise need to use at the state hospitals.

(c) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 617 per day during the first quarter of fiscal year 2010, and 587 per day thereafter. Beds in the program for adaptive living skills (PALS) are not included in the preceding bed allocations. The department shall separately charge regional support networks for persons served in the PALS program.

(d) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(e) \$4,582,000 of the general fund—state appropriation for fiscal year 2010 and \$4,582,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement.

(f) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(g) \$750,000 of the general fund—state appropriation for fiscal year 2010 and \$750,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(h) \$1,500,000 of the general fund—state appropriation for fiscal year 2010 and \$1,500,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Spokane regional support network to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

(i) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(ii) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(iii) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(iv) Services at the sixteen-bed evaluation and treatment facility.

At least annually, the Spokane regional support network shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(i) The department shall return to the Spokane regional support network fifty percent of the amounts assessed against the network during the last six months of calendar year 2009 for state hospital utilization in excess of its contractual limit. The regional support network shall use these funds for operation during its initial months of a new sixteen-bed evaluation and treatment facility that will enable the network to reduce its use of the state hospital, and for diversion and community support services for persons with dementia who would likely otherwise require care at the state hospital.

(j) The department is directed to identify and implement program efficiencies and benefit changes in its delivery of medicaid managed-care services that are sufficient to operate within the state and federal appropriations in this section. Such actions may include but are not limited to methods such as adjusting the care access standards; improved utilization management of ongoing, recurring, and high-intensity services; and increased uniformity in provider payment rates. The department shall ensure that the capitation rate adjustments necessary to accomplish these efficiencies and changes are

distributed uniformly and equitably across all regional support networks statewide. The department is directed to report to the relevant legislative fiscal and policy committees at least thirty days prior to implementing rate adjustments reflecting these changes.

(k) In developing the new medicaid managed care rates under which the public mental health managed care system will operate during the five years beginning in fiscal year 2011, the department should seek to estimate the reasonable and necessary cost of efficiently and effectively providing a comparable set of medically necessary mental health benefits to persons of different acuity levels regardless of where in the state they live. Actual prior period spending in a regional administrative area shall not be a key determinant of future payment rates. The department shall report to the office of financial management and to the relevant fiscal and policy committees of the legislature on its proposed new waiver and mental health managed care rate-setting approach by October 1, 2009, and again at least sixty days prior to implementation of new capitation rates.

(l) \$1,529,000 of the general fund—state appropriation for fiscal year 2010 and \$1,529,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(m) The legislature intends and expects that regional support networks and contracted community mental health agencies shall make all possible efforts to, at a minimum, maintain current compensation levels of direct care staff. Such efforts shall include, but not be limited to, identifying local funding that can preserve client services and staff compensation, achieving administrative reductions at the regional support network level, and engaging stakeholders on cost-savings ideas that maintain client services and staff compensation. For purposes of this section, "direct care staff" means persons employed by community mental health agencies whose primary responsibility is providing direct treatment and support to people with mental illness, or whose primary responsibility is providing direct support to such staff in areas such as client scheduling, client intake, client reception, client records-keeping, and facilities maintenance.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2010)	\$120,679,000
General Fund—State Appropriation (FY 2011)	\$125,017,000
General Fund—Federal Appropriation	\$151,300,000
General Fund—Private/Local Appropriation	\$65,870,000
TOTAL APPROPRIATION	\$462,866,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state psychiatric hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$231,000 of the general fund—state appropriation for fiscal year 2008 and \$231,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood

community surrounding western state hospital. The amounts provided in this subsection (2)(b) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2010 and \$45,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2010)	\$1,819,000
General Fund—State Appropriation (FY 2011)	\$1,812,000
General Fund—Federal Appropriation	\$2,142,000
TOTAL APPROPRIATION	\$5,773,000

The appropriations in this subsection are subject to the following conditions and limitations: \$1,511,000 of the general fund—state appropriation for fiscal year 2010 and \$1,511,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for children's evidence based mental health services. Funding is sufficient to continue serving children at the same levels as fiscal year 2009.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2010)	\$4,123,000
General Fund—State Appropriation (FY 2011)	\$4,155,000
General Fund—Federal Appropriation	\$7,330,000
TOTAL APPROPRIATION	\$15,608,000

(a) Within the amounts appropriated in this section, the department shall provide reports to the legislature and governor on May 31, 2010, and January 31, 2011, concerning the waiting periods experienced for competency evaluations and competency restoration treatment during the nine month periods ending on March 31, 2010, and December 31, 2010, respectively.

The reports shall state, by county, the average number of days over the reporting period spent by the defendant between the signing of the court order and distribution of report: (i) In jail; (ii) in the state hospital; and (iii) waiting for the order and supporting documents to be received by the department. By state hospital catchment, the report shall also state these averages on a monthly basis. With respect to competency evaluations, the report shall separate evaluations ordered to occur in a jail, evaluations ordered to occur in the community, evaluations ordered to occur in a state hospital, and evaluations transferred to the state hospital which were originally ordered to occur in another setting. The department shall state the percentage of defendants that were found by the department to be competent following each type of evaluation. The department shall also state how many evaluations referrals contained a request for evaluation of insanity and diminished capacity, and what proportion of defendants for whom this evaluation was requested were found by the department to meet the criteria for these defenses.

With respect to competency restoration, the report shall separate restoration referrals by stage of competency restoration and state the

percentage of defendants found by the department to be competent at the conclusion of each stage.

The report shall identify factors which have caused delays in the completion of competency evaluations, and analyze a sample of cases in which evaluation time exceeded the standard deviation. The report shall provide recommendations as to what measures state or local governments may take to improve the speed of competency evaluations, and identify any statutory or regulatory barriers that obstruct the evaluation process.

(b) The department is authorized and encouraged to continue its contract with the Washington state institute for public policy to provide a longitudinal analysis of long-term mental health outcomes as directed in chapter 334, Laws of 2001 (mental health performance audit); to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders); and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

*Sec. 204 was partially vetoed. See message at end of chapter.

***NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2010)	\$313,050,000
General Fund—State Appropriation (FY 2011)	\$368,549,000
General Fund—Federal Appropriation	\$851,610,000
TOTAL APPROPRIATION	\$1,533,209,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) Amounts appropriated in this section reflect a reduction to funds appropriated for in-home care. The department shall reduce the number of in-home hours authorized. The reduction shall be scaled based on the acuity level of care recipients. The largest hour reductions shall be to lower acuity patients and the smallest hour reductions shall be to higher acuity patients. In doing so, the department shall comply with all maintenance of effort requirements contained in the American reinvestment and recovery act.

(c) Amounts appropriated in this section are sufficient to develop and implement the use of a consistent, statewide outcome-based vendor contract for employment and day services by April 1, 2011. The rates paid to vendors under this contract shall also be made consistent. In its description of activities the agency shall include activity listings and dollars appropriated for: Employment services, day services, child development services and county administration of services to the developmentally disabled. The department shall begin reporting to the office of financial management on these activities beginning in fiscal year 2010.

(d) \$5,593,000 of the general fund—state appropriation for fiscal year 2010, \$4,002,000 of the general fund—state appropriation for fiscal year 2011, and

\$14,701,000 of the general fund—federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. First priority shall be given to children who are at risk of institutionalization. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e)(i) \$493,000 of the general fund—state appropriation for fiscal year 2010, \$1,463,000 of the general fund—state appropriation for fiscal year 2011, and \$2,741,000 of the general fund—federal appropriation are provided solely for community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (A) clients being diverted or discharged from the state psychiatric hospitals; (B) clients participating in the dangerous mentally ill offender program; (C) clients participating in the community protection program; and (D) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$349 per day in fiscal year 2010 and \$356 per day in fiscal year 2011. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated.

(ii) The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(f) \$302,000 of the general fund—state appropriation for fiscal year 2010, \$831,000 of the general fund—state appropriation for fiscal year 2011, and \$1,592,000 of the general fund—federal appropriation are provided solely for health care benefits pursuant to a collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.

(g)(i) \$682,000 of the general fund—state appropriation for fiscal year 2010, \$1,651,000 of the general fund—state appropriation for fiscal year 2011, and \$1,678,000 of the general fund—federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, pursuant to a collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.

(ii) The federal portion of the amounts in this subsection (g) is contingent upon federal approval of participation in contributions to the trust and shall remain unallotted and placed in reserve status until the office of financial management and the department of social and health services receive federal approval.

(iii) Expenditures for the purposes specified in this subsection (g) shall not exceed the amounts provided in this subsection.

(h) Within the amounts appropriated in this subsection, the department may expand the new freedom waiver program to accommodate new waiver recipients throughout the state. As possible, and in compliance with current state and federal laws, the department shall allow current waiver recipients to transfer to the new freedom waiver.

(i) Within the amounts appropriated in this subsection (1), the department shall implement all necessary rules to facilitate the transfer to a department home and community-based services (HCBS) waiver of all eligible individuals who (i) currently receive services under the existing state-only employment and day program or the existing state-only residential program, and (ii) otherwise meet the waiver eligibility requirements. The amounts appropriated are sufficient to ensure that all individuals currently receiving services under the state-only employment and day and state-only residential programs who are not transferred to a department HCBS waiver will continue to receive services.

(j) Adult day health services shall only be authorized for in-home clients.

(k) In addition to other reductions, the appropriations in this subsection reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(l) The department shall not pay a home care agency licensed under chapter 70.127 RCW for personal care services provided by a family member, pursuant to Substitute House Bill No. 2361 (modifying state payments for in-home care).

(m) Within the appropriations of this section, the department shall reduce all seventeen payment levels of the seventeen-level payment system from the fiscal year 2009 levels for boarding homes, boarding homes contracted as assisted living, and adult family homes. Excluded from the reductions are exceptional care rate add-ons. The long-term care program may develop add-ons to pay exceptional care rates to adult family homes and boarding homes with specialty contracts to provide support for the following specifically eligible clients:

(i) Persons with AIDS or HIV-related diseases who might otherwise require nursing home or hospital care;

(ii) Persons with Alzheimer's disease and related dementia who might otherwise require nursing home care; and

(iii) Persons with co-occurring mental illness and long-term care needs who are eligible for expanded community services and who might otherwise require state and local psychiatric hospital care.

Within amounts appropriated, exceptional add-on rates for AIDS/HIV, dementia specialty care, and expanded community services may be standardized within each program.

(n) The amounts appropriated in this subsection reflect a reduction in funds available for employment and day services. In administering this reduction the department shall negotiate with counties and their vendors so that this reduction, to the greatest extent possible, is achieved by reducing vendor rates and allowable contract administrative charges (overhead) and not through reductions to direct client services or direct service delivery or programs.

(o) Within the amounts allotted for employment and day services in this section, the department shall prioritize the funding of employment services for students graduating from high school during fiscal years 2010 and 2011. However, nothing in this subsection is intended to displace services for other recipients of employment services.

(p) As part of the needs assessment instrument, the department may collect data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department may ensure that this information is collected as part of the client assessment process.

(q) Within the amounts appropriated in this section, waiver clients must receive employment and day services as authorized by their waiver, such as pathway to employment, while waiting for paid employment to be developed. The department shall establish and maintain a consistent proposed policy for minimum direct service hours for clients, minimum hours of support, time frames for seeking paid employment, and services provided under pathway to employment while paid employment is sought. In order to maximize the number of clients served, the department may serve additional nonwaiver clients with unspent funds for waiver clients, provided the total projected carry-forward expenditures do not exceed the amounts estimated.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2010)	\$61,612,000
General Fund—State Appropriation (FY 2011)	\$74,185,000
General Fund—Federal Appropriation	\$202,160,000
General Fund—Private/Local Appropriation	\$22,441,000
TOTAL APPROPRIATION	\$360,398,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) The developmental disabilities program is authorized to use funds appropriated in this subsection to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(c) \$721,000 of the general fund—state appropriation for fiscal year 2010 and \$721,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(d) In addition to other reductions, the appropriations in this subsection reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2010)	\$1,428,000
General Fund—State Appropriation (FY 2011)	\$1,388,000
General Fund—Federal Appropriation	\$1,372,000
TOTAL APPROPRIATION	\$4,188,000

The appropriations in this subsection are subject to the following conditions and limitations: In addition to other reductions, the appropriations in this subsection reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2010)	\$15,000
General Fund—State Appropriation (FY 2011)	\$15,000
General Fund—Federal Appropriation	\$21,066,000
TOTAL APPROPRIATION	\$21,096,000

The appropriations in this subsection are subject to the following conditions and limitations: The appropriations in this subsection are available solely for the infant toddler early intervention program.

*Sec. 205 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM

General Fund—State Appropriation (FY 2010)	\$585,667,000
General Fund—State Appropriation (FY 2011)	\$698,622,000
General Fund—Federal Appropriation	\$1,814,099,000
General Fund—Private/Local Appropriation	\$20,373,000
Traumatic Brain Injury Account—State Appropriation	\$1,816,000
TOTAL APPROPRIATION	\$3,120,577,000

The appropriations in this section are subject to the following conditions and limitations:

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$156.37 for fiscal year 2010 and shall not exceed \$158.74 for fiscal year 2011, including the rate add-on described in subsection (12) of this section. There will be no adjustments for

economic trends and conditions in fiscal years 2010 and 2011. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(2) In accordance with chapter 74.46 RCW, the department shall issue no additional certificates of capital authorization for fiscal year 2010 and no new certificates of capital authorization for fiscal year 2011.

(3) The long-term care program may develop and pay enhanced rates for exceptional care to nursing homes for persons with traumatic brain injuries who are transitioning from hospital care. The cost per patient day for caring for these clients in a nursing home setting may be equal to or less than the cost of caring for these clients in a hospital setting.

(4) Within the appropriations of this section, the department shall reduce all seventeen payment levels of the seventeen-level payment system from the fiscal year 2009 levels for boarding homes, boarding homes contracted as assisted living, and adult family homes. Excluded from the reductions are exceptional care rate add-ons. The long-term care program may develop add-ons to pay exceptional care rates to adult family homes and boarding homes with specialty contracts to provide support for the following specifically eligible clients:

(a) Persons with AIDS or HIV-related diseases who might otherwise require nursing home or hospital care;

(b) Persons with Alzheimer's disease and related dementia who might otherwise require nursing home care; and

(c) Persons with co-occurring mental illness and long-term care needs who are eligible for expanded community services and who might otherwise require state and local psychiatric hospital care.

Within amounts appropriated, exceptional add-on rates for AIDS/HIV, dementia specialty care, and expanded community services may be standardized within each program.

(5) Amounts appropriated in this section reflect a reduction to funds appropriated for in-home care. The department shall reduce the number of in-home hours authorized. The reduction shall be scaled based on the acuity level of care recipients. The largest hour reductions shall be to lower acuity patients and the smallest hour reductions shall be to higher acuity patients. In doing so, the department shall comply with all maintenance of effort requirements contained in the American reinvestment and recovery act.

(6) \$536,000 of the general fund—state appropriation for fiscal year 2010, \$1,477,000 of the general fund—state appropriation for fiscal year 2011, and \$2,830,000 of the general fund—federal appropriation are provided solely for health care benefits pursuant to a collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.

(7)(a) \$1,212,000 of the general fund—state appropriation for fiscal year 2010, \$2,934,000 of the general fund—state appropriation for fiscal year 2011, and \$2,982,000 of the general fund—federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, pursuant to a collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.

(b) \$330,000 of the general fund—state appropriation for fiscal year 2010, \$660,000 of the general fund—state appropriation for fiscal year 2011, and \$810,000 of the general fund—federal appropriation are provided solely for transfer from the department to the training partnership, as provided in RCW 74.39A.360, for infrastructure and instructional costs associated with training of individual providers, pursuant to a collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270.

(c) The federal portion of the amounts in this subsection is contingent upon federal approval of participation in contributions to the trust and shall remain unallotted and placed in reserve status until the office of financial management and the department of social and health services receive federal approval.

(d) Expenditures for the purposes specified in this subsection shall not exceed the amounts provided in this subsection.

(8) Within the amounts appropriated in this section, the department may expand the new freedom waiver program to accommodate new waiver recipients throughout the state. As possible, and in compliance with current state and federal laws, the department shall allow current waiver recipients to transfer to the new freedom waiver.

(9) Individuals receiving services as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(10) Adult day health services shall only be authorized for in-home clients.

(11) \$3,955,000 of the general fund—state appropriation for fiscal year 2010, \$4,239,000 of the general fund—state appropriation for fiscal year 2011, and \$10,190,000 of the general fund—federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration.

(12) Within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed \$1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2008, according to cost report

data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The department shall continue reporting requirements and a settlement process to ensure that the funds are spent according to this subsection. The department shall adopt rules to implement the terms of this subsection.

(13) \$1,840,000 of the general fund—state appropriation for fiscal year 2010 and \$1,877,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for operation of the volunteer chore services program.

(14) In accordance with chapter 74.39 RCW, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of care in community residential facilities. Enrollment in the waiver shall not exceed 600 persons at any time.

(b) The second waiver program shall include coverage of in-home care. Enrollment in this second waiver shall not exceed 200 persons at any time.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) If it is necessary to establish a waiting list for either waiver because the budgeted number of enrollment opportunities has been reached, the department shall track how the long-term care needs of applicants assigned to the waiting list are met.

(15) The department shall establish waiting lists to the extent necessary to assure that annual expenditures on the community options program entry systems (COPES) program do not exceed appropriated levels. In establishing and managing any such waiting list, the department shall assure priority access to persons with the greatest unmet needs, as determined by department assessment processes.

(16) The department shall contract for housing with service models, such as cluster care, to create efficiencies in service delivery and responsiveness to unscheduled personal care needs by clustering hours for clients that live in close proximity to each other.

(17) The department shall not pay a home care agency licensed under chapter 70.127 RCW for personal care services provided by a family member, pursuant to Substitute House Bill No. 2361 (modifying state payments for in-home care).

(18) \$204,000 of the general fund—state appropriation for fiscal year 2010, \$1,099,000 of the general fund—state appropriation for fiscal year 2011, and \$1,697,000 of the general fund—federal appropriation are provided solely to implement Engrossed House Bill No. 2194 (extraordinary medical placement for offenders). The department shall work in partnership with the department of corrections to identify services and find placements for offenders who are released through the extraordinary medical placement program. The department shall collaborate with the department of corrections to identify and track cost savings to the department of corrections, including medical cost savings and to identify and track expenditures incurred by the aging and disability services program for community services and by the medical assistance program for

medical expenses. A joint report regarding the identified savings and expenditures shall be provided to the office of financial management and the appropriate fiscal committees of the legislature by November 30, 2010. If this bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(19) Sufficient funding is provided in this section for the department to implement Engrossed Second Substitute House Bill No. 1935 (adult family homes). During the 2009-11 biennium, the initial licensing fee for an adult family home shall be set at \$900.00. During the 2009-11 biennium, the annual licensing renewal fee shall be set at \$100.00.

***NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2010)	\$557,621,000
General Fund—State Appropriation (FY 2011)	\$588,286,000
General Fund—Federal Appropriation	\$1,140,367,000
General Fund—Private/Local Appropriation	\$27,920,000
Administrative Contingency Account—State Appropriation	\$29,136,000
TOTAL APPROPRIATION	\$2,343,330,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$303,196,000 of the general fund—state appropriation for fiscal year 2010, \$309,755,000 of the general fund—state appropriation for fiscal year 2011, \$29,136,000 of the administrative contingency account—state appropriation, and \$778,606,000 of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. The department shall use moneys from the administrative contingency account for WorkFirst job placement services provided by the employment security department. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. In addition, within the amounts provided for WorkFirst the department shall:

- (a) Establish a career services work transition program;
- (b) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months;
- (c) Submit a report electronically by October 1, 2009, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2009-2011 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels;

(d) Provide quarterly fiscal reports to the office of financial management and the legislative fiscal committees detailing information on the amount expended from general fund—state and general fund—federal by activity;

(e) Maintain the fiscal year 2009 grant standard for the temporary assistance for needy families grant.

(2) The department and the office of financial management shall electronically report quarterly the expenditures, maintenance of effort allotments, expenditure amounts, and caseloads for the WorkFirst program to the legislative fiscal committees.

(3) \$84,856,000 of the general fund—state appropriation for fiscal year 2010 and \$95,173,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for cash assistance and other services to recipients in the general assistance—unemployable program.

Within these amounts:

(a) The department shall aggressively pursue opportunities to transfer general assistance unemployable clients to general assistance expedited coverage and to facilitate client applications for federal supplemental security income when the client's incapacities indicate that he or she would be likely to meet the federal disability criteria for supplemental security income. The department shall initiate and file the federal supplemental security income interim agreement as quickly as possible in order to maximize the recovery of federal funds;

(b) The department shall review the general assistance caseload to identify recipients that would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department;

(c) The department shall actively coordinate with local workforce development councils to expedite access to worker retraining programs for general assistance unemployable clients in those regions of the state with the greatest number of such clients;

(d) By July 1, 2009, the department shall enter into an interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veteran's services. This agreement must include outstationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services; and

(e) In addition to any earlier evaluation that may have been conducted, the department shall intensively evaluate those clients who have been receiving general assistance unemployable benefits for twelve months or more as of July 1, 2009, or thereafter, if the available medical and incapacity related evidence indicates that the client is unlikely to meet the disability standard for federal supplemental security income benefits. The evaluation shall identify services necessary to eliminate or minimize barriers to employment, including mental health treatment, substance abuse treatment and vocational rehabilitation services. The department shall expedite referrals to chemical dependency treatment, mental health and vocational rehabilitation services for these clients.

(f) The appropriations in this subsection reflect a change in the earned income disregard policy for general assistance unemployable clients. It is the

intent of the legislature that the department shall adopt the temporary assistance for needy families earned income policy for general assistance unemployable.

(4) The department shall report to the legislature on outcomes of the reorganization of the office of refugee and immigrant assistance. The report shall include information on efficiencies and outcomes related to client services, training and technical assistance to providers, and administrative oversight prior to the year of the reorganization compared to the outcomes achieved following the reorganization. In addition to self reporting the department shall solicit comments relevant to this report from service providers and the report shall include their responses. To increase transparency and understanding of the office's funding practices, the report shall also include information on the base budgets of funding sources for services provided by the office of refugee and immigrant assistance. A preliminary report shall be due to the legislature by December 1, 2009. A final report shall be due June 1, 2010.

(5) \$750,000 of the general fund—state appropriation for fiscal year 2010 and \$750,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for naturalization services.

(6)(a) \$3,550,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for refugee employment services, of which \$2,650,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services; and \$3,550,000 of the general fund—state appropriation for fiscal year 2011 is provided solely for refugee employment services, of which \$2,650,000 is provided solely for the department to pass through to statewide refugee assistance organizations for limited English proficiency pathway services.

(b) The legislature intends that the appropriation in this subsection for the 2009-11 fiscal biennium will maintain funding for refugee programs at a level at least equal to expenditures on these programs in the 2007-09 fiscal biennium.

(7) The appropriations in this section reflect reductions in the appropriations for the economic services administration's administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or program.

*Sec. 207 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund—State Appropriation (FY 2010)	\$82,117,000
General Fund—State Appropriation (FY 2011)	\$84,772,000
General Fund—Federal Appropriation	\$145,671,000
General Fund—Private/Local Appropriation	\$2,719,000
Criminal Justice Treatment Account—State	
Appropriation	\$17,747,000
Problem Gambling Account—State Appropriation	\$1,459,000
TOTAL APPROPRIATION	\$334,485,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable patients.

(3) In addition to other reductions, the appropriations in this section reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

***NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MEDICAL ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2010)	\$1,597,387,000
General Fund—State Appropriation (FY 2011)	\$1,984,797,000
General Fund—Federal Appropriation	\$5,210,672,000
General Fund—Private/Local Appropriation	\$12,903,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,076,000
Tobacco Prevention and Control Account—	
State Appropriation	\$3,766,000
TOTAL APPROPRIATION	\$8,824,601,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Based on quarterly expenditure reports and caseload forecasts, if the department estimates that expenditures for the medical assistance program will exceed the appropriations, the department shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

(2) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(3) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(4) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the department shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(5) In accordance with RCW 74.46.625, \$6,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental

to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the department's discretion. During either the interim cost settlement or the final cost settlement, the department shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The department shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(6) \$1,110,000 of the general fund—federal appropriation and \$1,105,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients, and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(7) \$9,818,000 of the general fund—state appropriation for fiscal year 2011, and \$9,865,000 of the general fund—federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients, and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) The department shall continue the inpatient hospital certified public expenditures program for the 2009-11 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The department shall submit reports to the governor and legislature by November 1, 2009, and by November 1, 2010, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the department shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2010 and fiscal year 2011, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE

program, (b) one half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2009-11 biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$6,570,000 of the general fund—state appropriation for fiscal year 2010, which is appropriated in section 204(1) of this act, and \$1,500,000 of the general fund—state appropriation for fiscal year 2011, which is appropriated in section 204(1) of this act, are provided solely for state grants for the participating hospitals. Sufficient amounts are appropriated in this section for the remaining state grants for the participating hospitals.

(9) The department is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the department determines it is cost-effective to do so.

(10) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.

(11) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is at least equivalent to the benefit provided in the 2003-05 biennium.

(12) \$93,000 of the general fund—state appropriation for fiscal year 2010 and \$93,000 of the general fund—federal appropriation are provided solely for the department to pursue a federal Medicaid waiver pursuant to Second Substitute Senate Bill No. 5945 (Washington health partnership plan). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(13) The department shall require managed health care systems that have contracts with the department to serve medical assistance clients to limit any reimbursements or payments the systems make to providers not employed by or under contract with the systems to no more than the medical assistance rates paid by the department to providers for comparable services rendered to clients in the fee-for-service delivery system.

(14) Appropriations in this section are sufficient for the department to continue to fund family planning nurses in the community services offices.

(15) The department, in coordination with stakeholders, will conduct an analysis of potential savings in utilization of home dialysis. The department

shall present its findings to the appropriate house of representatives and senate committees by December 2010.

(16) A maximum of \$166,875,000 of the general fund—state appropriation and \$38,389,000 of the general fund—federal appropriation may be expended in the fiscal biennium for the general assistance-unemployable medical program, and these amounts are provided solely for this program. Of these amounts, \$10,749,000 of the general fund—state appropriation for fiscal year 2010 and \$10,892,000 of the general fund—federal appropriation are provided solely for payments to hospitals for providing outpatient services to low income patients who are recipients of general assistance-unemployable. Pursuant to RCW 74.09.035, the department shall not expend for the general assistance medical care services program any amounts in excess of the amounts provided in this subsection.

(17) If the department determines that it is feasible within the amounts provided in subsection (16) of this section, and without the loss of federal disproportionate share hospital funds, the department shall contract with the carrier currently operating a managed care pilot project for the provision of medical care services to general assistance-unemployable clients. Mental health services shall be included in the services provided through the managed care system. If the department determines that it is feasible, effective October 1, 2009, in addition to serving clients in the pilot counties, the carrier shall expand managed care services to clients residing in at least the following counties: Spokane, Yakima, Chelan, Kitsap, and Cowlitz. If the department determines that it is feasible, the carrier shall complete implementation into the remaining counties. Total per person costs to the state, including outpatient and inpatient services and any additional costs due to stop loss agreements, shall not exceed the per capita payments projected for the general assistance-unemployable eligibility category, by fiscal year, in the February 2009 medical assistance expenditures forecast. The department, in collaboration with the carrier, shall seek to improve the transition rate of general assistance clients to the federal supplemental security income program.

(18) The department shall evaluate the impact of the use of a managed care delivery and financing system on state costs and outcomes for general assistance medical clients. Outcomes measured shall include state costs, utilization, changes in mental health status and symptoms, and involvement in the criminal justice system.

(19) The department shall report to the governor and the fiscal committees of the legislature by June 1, 2010, on its progress toward achieving a twenty percentage point increase in the generic prescription drug utilization rate.

(20) State funds shall not be used by hospitals for advertising purposes.

(21) The department shall seek a medicaid state plan amendment to create a professional services supplemental payment program for University of Washington medicine professional providers no later than July 1, 2009. The department shall apply federal rules for identifying the shortfall between current fee-for-service medicaid payments to participating providers and the applicable federal upper payment limit. Participating providers shall be solely responsible for providing the local funds required to obtain federal matching funds. Any incremental costs incurred by the department in the development, implementation, and maintenance of this program will be the responsibility of

the participating providers. Participating providers will retain the full amount of supplemental payments provided under this program, net of any potential costs for any related audits or litigation brought against the state. The department shall report to the governor and the legislative fiscal committees on the prospects for expansion of the program to other qualifying providers as soon as feasibility is determined but no later than December 31, 2009. The report will outline estimated impacts on the participating providers, the procedures necessary to comply with federal guidelines, and the administrative resource requirements necessary to implement the program. The department will create a process for expansion of the program to other qualifying providers as soon as it is determined feasible by both the department and providers but no later than June 30, 2010.

(22) \$9,350,000 of the general fund—state appropriation for fiscal year 2010, \$8,313,000 of the general fund—state appropriation for fiscal year 2011, and \$20,371,000 of the general fund—federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. The amounts provided in this subsection are conditioned on the department satisfying the requirements of section 902 of this act.

(23) \$506,000 of the general fund—state appropriation for fiscal year 2011 and \$657,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1373 (children's mental health). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(24) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the department shall pursue insurance claims on behalf of medicaid children served through its in-home medically intensive child program under WAC 388-551-3000. The department shall report to the Legislature by December 31, 2009, on the results of its efforts to recover such claims.

(25) The department may, on a case-by-case basis and in the best interests of the child, set payment rates for medically intensive home care services to promote access to home care as an alternative to hospitalization. Expenditures related to these increased payments shall not exceed the amount the department would otherwise pay for hospitalization for the child receiving medically intensive home care services.

(26) \$425,000 of the general fund—state appropriation for fiscal year 2010, \$425,000 of the general fund—state appropriation for fiscal year 2011, and \$1,580,000 of the general fund—federal appropriation are provided solely to continue children's health coverage outreach and education efforts under RCW 74.09.470. These efforts shall rely on existing relationships and systems developed with local public health agencies, health care providers, public schools, the women, infants, and children program, the early childhood education and assistance program, child care providers, newborn visiting nurses, and other community-based organizations. The department shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(27) The department, in conjunction with the office of financial management, shall reduce outpatient and inpatient hospital rates and implement

a prorated inpatient payment policy. In determining the level of reductions needed, the department shall include in its calculations services paid under fee-for-service, managed care, and certified public expenditure payment methods; but reductions shall not apply to payments for psychiatric inpatient services or payments to critical access hospitals.

(28) The department will pursue a competitive procurement process for antihemophilic products, emphasizing evidence-based medicine and protection of patient access without significant disruption in treatment.

(29) The department will pursue several strategies towards reducing pharmacy expenditures including but not limited to increasing generic prescription drug utilization by 20 percentage points and promoting increased utilization of the existing mail-order pharmacy program.

(30) The department shall reduce reimbursement for over-the-counter medications while maintaining reimbursement for those over-the-counter medications that can replace more costly prescription medications.

(31) The department shall seek public-private partnerships and federal funds that are or may become available to implement health information technology projects under the federal American recovery and reinvestment act of 2009.

(32) The department shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race.

(33) The department shall direct graduate medical education funds to programs that focus on primary care training.

(34) \$79,000 of the general fund—state appropriation for fiscal year 2010 and \$53,000 of the general fund—federal appropriation are provided solely to implement Substitute House Bill No. 1845 (medical support obligations).

(35) \$63,000 of the general fund—state appropriation for fiscal year 2010, \$583,000 of the general fund—state appropriation for fiscal year 2011, and \$864,000 of the general fund—federal appropriation are provided solely to implement Engrossed House Bill No. 2194 (extraordinary medical placement for offenders). The department shall work in partnership with the department of corrections to identify services and find placements for offenders who are released through the extraordinary medical placement program. The department shall collaborate with the department of corrections to identify and track cost savings to the department of corrections, including medical cost savings, and to identify and track expenditures incurred by the aging and disability services program for community services and by the medical assistance program for medical expenses. A joint report regarding the identified savings and expenditures shall be provided to the office of financial management and the appropriate fiscal committees of the legislature by November 30, 2010. If this bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(36) Sufficient amounts are provided in this section to provide full benefit dual eligible beneficiaries with medicare part D prescription drug copayment coverage in accordance with RCW 74.09.520.

***Sec. 209 was partially vetoed. See message at end of chapter.**

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2010)	\$10,452,000
General Fund—State Appropriation (FY 2011)	\$10,127,000
General Fund—Federal Appropriation	\$83,553,000
Telecommunications Devices for the Hearing and Speech Impaired—State Appropriation	\$1,979,000
TOTAL APPROPRIATION	\$106,111,000

The appropriations in this section are subject to the following conditions and limitations: The vocational rehabilitation program shall coordinate closely with the economic services program to serve general assistance unemployable clients who are referred for eligibility determination and vocational rehabilitation services, and shall make every effort, within the requirements of the federal rehabilitation act of 1973, to serve these clients.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT PROGRAM

General Fund—State Appropriation (FY 2010)	\$54,027,000
General Fund—State Appropriation (FY 2011)	\$53,137,000
TOTAL APPROPRIATION	\$107,164,000

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund—State Appropriation (FY 2010)	\$34,549,000
General Fund—State Appropriation (FY 2011)	\$34,843,000
General Fund—Federal Appropriation	\$55,407,000
General Fund—Private/Local Appropriation	\$1,526,000
TOTAL APPROPRIATION	\$126,325,000

The appropriations in this section are subject to the following conditions and limitations: In addition to other reductions, the appropriations in this section reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(1) \$150,000 of the general fund—state appropriation for fiscal year 2010 and \$150,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) \$445,000 of the general fund—state appropriation for fiscal year 2010 and \$445,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for funding of the teamchild project through the governor's juvenile justice advisory committee.

(3) \$178,000 of the general fund—state appropriation for fiscal year 2010 and \$178,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the juvenile detention alternatives initiative.

(4) Amounts appropriated in this section reflect a reduction to the family policy council. The family policy council shall reevaluate staffing levels and administrative costs to ensure to the extent possible a maximum ratio of grant moneys provided and administrative costs.

(5) Amounts appropriated in this section reflect a reduction to the council on children and families. The council on children and families shall reevaluate staffing levels and administrative costs to ensure to the extent possible a maximum ratio of grant moneys provided and administrative costs.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund—State Appropriation (FY 2010)	\$53,431,000
General Fund—State Appropriation (FY 2011)	\$53,472,000
General Fund—Federal Appropriation	\$49,494,000
TOTAL APPROPRIATION	\$156,397,000

NEW SECTION. Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY

General Fund—State Appropriation (FY 2010)	\$206,295,000
General Fund—State Appropriation (FY 2011)	\$182,138,000
General Fund—Federal Appropriation	\$6,302,000
State Health Care Authority Administration Account—	
State Appropriation	\$35,261,000
Medical Aid Account—State Appropriation	\$529,000
TOTAL APPROPRIATION	\$430,525,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom

employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) In order to maximize the funding appropriated for the basic health plan, the health care authority is directed to make modifications that will reduce the total number of subsidized enrollees to approximately 65,000 by January 1, 2010. In addition to the reduced enrollment, other modifications may include changes in enrollee premium obligations, changes in benefits, enrollee cost-sharing, and termination of the enrollment of individuals concurrently enrolled in a medical assistance program as provided in Substitute House Bill No. 2341.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2010 and \$250,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of Substitute Senate Bill No. 5360 (community collaboratives). If the bill is not enacted by June 30, 2009, the amounts provided in this section shall lapse.

(6) The department shall seek public-private partnerships and federal funds that are or may become available to implement health information technology projects under the federal American recovery and reinvestment act of 2009.

NEW SECTION. Sec. 215. FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2010)	\$2,802,000
General Fund—State Appropriation (FY 2011)	\$2,814,000
General Fund—Federal Appropriation	\$1,299,000
TOTAL APPROPRIATION	\$6,915,000

NEW SECTION. Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account—	
State Appropriation	\$20,000
Accident Account—State Appropriation	\$18,453,000
Medical Aid Account—State Appropriation	\$18,453,000
TOTAL APPROPRIATION	\$36,926,000

NEW SECTION. Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2010)	\$19,146,000
General Fund—State Appropriation (FY 2011)	\$19,176,000
General Fund—Private/Local Appropriation	\$200,000
Death Investigations Account—State Appropriation	\$148,000
Municipal Criminal Justice Assistance Account—	
State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$5,844,000
TOTAL APPROPRIATION	\$44,974,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,874,000 of the general fund—state appropriation for fiscal year 2010 and \$1,922,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for 10 additional basic law enforcement academies in fiscal year 2010 and 10 additional basic law enforcement academies in fiscal year 2011.

(2) \$1,191,000 of the general fund—state appropriation for fiscal year 2010 and \$1,191,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington association of sheriffs and police chiefs to continue to develop, maintain, and operate the jail booking and reporting system (JBRS) and the statewide automated victim information and notification system (SAVIN).

(3) \$5,000,000 of the general fund—state appropriation for fiscal year 2010 and \$5,000,000 of the general fund—state appropriation for fiscal year 2011, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130. The Washington association of sheriffs and police chiefs shall:

(a) Enter into performance-based agreements with units of local government to ensure that registered offender address and residency are verified:

- (i) For level I offenders, every twelve months;
- (ii) For level II offenders, every six months; and
- (iii) For level III offenders, every three months.

For the purposes of this subsection, unclassified offenders and kidnapping offenders shall be considered at risk level I unless in the opinion of the local jurisdiction a higher classification is in the interest of public safety.

(b) Collect performance data from all participating jurisdictions sufficient to evaluate the efficiency and effectiveness of the address and residency verification program; and

(c) Submit a report on the effectiveness of the address and residency verification program to the governor and the appropriate committees of the house of representatives and senate by December 31, each year.

The Washington association of sheriffs and police chiefs may retain up to three percent of the amount provided in this subsection for the cost of administration. Any funds not disbursed for address and residency verification or retained for administration may be allocated to local prosecutors for the prosecution costs associated with failing-to-register offenses.

(4) \$30,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the implementation of Second Substitute House Bill No. 2078 (persons with developmental disabilities in correctional facilities or jails). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

***NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund—State Appropriation (FY 2010)	\$24,224,000
General Fund—State Appropriation (FY 2011)	\$25,237,000
General Fund—Federal Appropriation	\$100,000
General Fund—Federal Appropriation	\$10,000,000
Asbestos Account—State Appropriation	\$924,000
Electrical License Account—State Appropriation	\$43,162,000
Farm Labor Revolving Account—Private/Local Appropriation	\$28,000

Worker and Community Right-to-Know Account—	
State Appropriation	\$1,979,000
Public Works Administration Account—State Appropriation	\$5,764,000
Manufactured Home Installation Training Account—	
State Appropriation	\$138,000
Accident Account—State Appropriation	\$248,281,000
Accident Account—Federal Appropriation	\$13,622,000
Medical Aid Account—State Appropriation	\$249,537,000
Medical Aid Account—Federal Appropriation	\$3,186,000
Plumbing Certificate Account—State Appropriation	\$1,693,000
Pressure Systems Safety Account—State Appropriation	\$3,775,000
TOTAL APPROPRIATION	\$631,650,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees related to factory assembled structures, contractor registration, electricians, plumbers, asbestos removal, boilers, elevators, and manufactured home installers. These increases are necessary to support expenditures authorized in this section, consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

(2) \$424,000 of the accident account—state appropriation and \$76,000 of the medical aid account—state appropriation are provided solely for implementation of a community agricultural worker safety grant at the department of agriculture. The department shall enter into an interagency agreement with the department of agriculture to implement the grant.

(3) \$4,850,000 of the medical aid account—state appropriation is provided solely to continue the program of safety and health as authorized by RCW 49.17.210 to be administered under rules adopted pursuant to chapter 34.05 RCW, provided that projects funded involve workplaces insured by the medical aid fund, and that priority is given to projects fostering accident prevention through cooperation between employers and employees or their representatives.

(4) \$150,000 of the medical aid account—state appropriation is provided solely for the department to contract with one or more independent experts to evaluate and recommend improvements to the rating plan under chapter 51.18 RCW, including analyzing how risks are pooled, the effect of including worker premium contributions in adjustment calculations, incentives for accident and illness prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles.

(5) The department shall continue to conduct utilization reviews of physical and occupational therapy cases at the 24th visit. The department shall continue to report performance measures and targets for these reviews on the agency web site. The reports are due September 30th for the prior fiscal year and must include the amount spent and the estimated savings per fiscal year.

(6) The appropriations in this section reflect reductions in the appropriations for the department of labor and industries' administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing administrative costs only.

(7) \$500,000 of the accident account—state appropriation is provided solely for the department to contract with one or more independent experts to oversee and assist the department's implementation of improvements to the rating plan under chapter 51.18 RCW, in collaboration with the department and with the department's work group of retrospective rating and workers' compensation stakeholders. The independent experts will validate the impact of recommended changes on retrospective rating participants and nonparticipants, confirm implementation technology changes, and provide other implementation assistance as determined by the department.

(8) \$194,000 of the accident account—state appropriation and \$192,000 of the medical aid account—state appropriation are provided solely for implementation of Senate Bill No. 5346 (health care administrative procedures). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(9) \$131,000 of the accident account—state appropriation and \$128,000 of the medical aid account—state appropriation are provided solely for implementation of Senate Bill No. 5613 (stop work orders). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(10) \$68,000 of the accident account—state appropriation and \$68,000 of the medical aid account—state appropriation are provided solely for implementation of Senate Bill No. 5688 (registered domestic partners). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(11) \$320,000 of the accident account—state appropriation and \$147,000 of the medical aid account—state appropriation are provided solely for implementation of Senate Bill No. 5873 (apprenticeship utilization). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(12) \$337,000 of the general fund—state appropriation for fiscal year 2010 and \$183,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Senate Bill No. 5895 (residential real property). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(13) \$394,000 of the accident account—state appropriation and \$394,000 of the medical aid account—state appropriation are provided solely for implementation of Senate Bill No. 6035 (retrospective rating plans). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(14) \$269,000 of the general fund—state appropriation for fiscal year 2010 and \$183,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1393 (residential construction). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(15) \$73,000 of the general fund—state appropriation for fiscal year 2010, \$66,000 of the general fund—state appropriation for fiscal year 2011, \$606,000 of the accident account—state appropriation, and \$600,000 of the medical aid account—state appropriation are provided solely for the implementation of House Bill No. 1555 (underground economy). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(16) \$574,000 of the accident account—state appropriation and \$579,000 of the medical account—state appropriation are provided solely for the implementation of House Bill No. 1402 (industrial insurance appeals). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 218 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 219. FOR THE INDETERMINATE SENTENCE REVIEW BOARD

General Fund—State Appropriation (FY 2010)	\$1,913,000
General Fund—State Appropriation (FY 2011)	\$1,917,000
TOTAL APPROPRIATION	\$3,830,000

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2010)	\$1,913,000
General Fund—State Appropriation (FY 2011)	\$1,899,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
TOTAL APPROPRIATION	\$3,822,000

The appropriations in this subsection are subject to the following conditions and limitations: In addition to other reductions, the appropriations in this section reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2010)	\$4,885,000
General Fund—State Appropriation (FY 2011)	\$4,943,000
General Fund—Federal Appropriation	\$1,842,000
General Fund—Private/Local Appropriation	\$3,491,000
Veterans Innovations Program Account—State Appropriation	\$648,000
Veteran Estate Management Account—Private/Local Appropriation	\$1,069,000
TOTAL APPROPRIATION	\$16,878,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall collaborate with the department of social and health services to identify and assist eligible general assistance unemployable clients to access the federal department of veterans affairs benefits.

(b) \$648,000 of the veterans innovations program account—state appropriation is provided solely for the department to continue support for returning combat veterans through the veterans innovation program, including emergency financial assistance through the defenders' fund and long-term financial assistance through the competitive grant program.

(c) In addition to other reductions, the appropriations in this section reflect reductions targeted specifically to state government administrative costs. These

administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2010)	\$3,638,000
General Fund—State Appropriation (FY 2011)	\$2,845,000
General Fund—Federal Appropriation	\$50,791,000
General Fund—Private/Local Appropriation	\$31,734,000
TOTAL APPROPRIATION	\$89,008,000

The appropriations in this subsection are subject to the following conditions and limitations: In addition to other reductions, the appropriations in this section reflect reductions targeted specifically to state government administrative costs. These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.<Para

NEW SECTION. Sec. 221. FOR THE HOME CARE QUALITY AUTHORITY

General Fund—State Appropriation (FY 2010)	\$1,229,000
General Fund—State Appropriation (FY 2011)	\$1,221,000
TOTAL APPROPRIATION	\$2,450,000

***NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF HEALTH**

General Fund—State Appropriation (FY 2010)	\$108,879,000
General Fund—State Appropriation (FY 2011)	\$84,169,000
General Fund—Federal Appropriation	\$480,871,000
General Fund—Private/Local Appropriation	\$138,846,000
Hospital Data Collection Account—State Appropriation	\$326,000
Health Professions Account—State Appropriation	\$76,218,000
Aquatic Lands Enhancement Account—State Appropriation	\$603,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$13,531,000
Safe Drinking Water Account—State Appropriation	\$2,723,000
Drinking Water Assistance Account—Federal	
Appropriation	\$22,817,000
Waterworks Operator Certification—State Appropriation	\$1,519,000
Drinking Water Assistance Administrative Account—	
State Appropriation	\$326,000
State Toxics Control Account—State Appropriation	\$3,600,000
Medical Test Site Licensure Account—State Appropriation	\$2,117,000
Youth Tobacco Prevention Account—State Appropriation	\$1,512,000
Public Health Supplemental Account—Private/Local	
Appropriation	\$3,525,000
Accident Account—State Appropriation	\$295,000
Medical Aid Account—State Appropriation	\$48,000
Tobacco Prevention and Control Account—	
State Appropriation	\$46,884,000
Biotoxin Account—State Appropriation	\$1,165,000
TOTAL APPROPRIATION	\$989,974,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(2) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is authorized to establish fees by the amount necessary to fully support the cost of activities related to the administration of long-term care worker certification. The department is further authorized to increase fees by the amount necessary to implement the regulatory requirements of the following bills: House Bill No. 1414 (health care assistants), House Bill No. 1740 (dental residency licenses), and House Bill No. 1899 (retired active physician licenses).

(3) Within the amounts appropriated in this section, the department of health shall continue operations of the pesticide incident report and tracking review panel.

(4) \$764,000 of the health professions account—state appropriation is provided solely for the medical quality assurance commission to maintain disciplinary staff and associated costs sufficient to reduce the backlog of disciplinary cases and to continue to manage the disciplinary caseload of the commission.

(5) \$57,000 of the general fund—state appropriation for fiscal year 2010 and \$58,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. There shall be no change to the current annual fees for new or renewed licenses for the midwifery program. The department shall convene the midwifery advisory committee on a quarterly basis to address issues related to licensed midwifery.

(6) Funding for the human papillomavirus vaccine shall not be included in the department's universal vaccine purchase program in fiscal year 2010. Remaining funds for the universal vaccine purchase program shall be used to continue the purchase of all other vaccines included in the program until May 1, 2010, or until state funds are exhausted, at which point state funding for the universal vaccine purchase program shall be discontinued. Funds from section

317 of the federal public health services act direct assistance shall not be used in lieu of state funds.

(7) Beginning July 1, 2010, the department, in collaboration with the department of social and health services, shall maximize the use of existing federal funds, including section 317 of the federal public health services act direct assistance as well as federal funds that may become available under the American recovery and reinvestment act, in order to continue to provide immunizations for low-income, nonmedicaid eligible children up to three hundred percent of the federal poverty level in state-sponsored health programs.

(8) The department shall eliminate outreach activities for the health care directives registry and use the remaining amounts to maintain the contract for the registry and minimal staffing necessary to administer the basic entry functions for the registry.

(9) Funding in this section reflects a temporary reduction of resources for the 2009-11 fiscal biennium for the state board of health to conduct health impact reviews.

(10) Pursuant to RCW 43.135.055 and 43.70.125, the department is authorized to adopt rules to establish a fee schedule to apply to applicants for initial certification surveys of health care facilities for purposes of receiving federal health care program reimbursement. The fees shall only apply when the department has determined that federal funding is not sufficient to compensate the department for the cost of conducting initial certification surveys. The fees for initial certification surveys may be established as follows: Up to \$1,815 for ambulatory surgery centers, up to \$2,015 for critical access hospitals, up to \$980 for end stage renal disease facilities, up to \$2,285 for home health agencies, up to \$2,285 for hospice agencies, up to \$2,285 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for rural health clinics, and up to \$7,000 for transplant hospitals.

(11) Funding for family planning grants for fiscal year 2011 is reduced in the expectation that federal funding shall become available to expand coverage of services for individuals through programs at the department of social and health services. In the event that such funding is not provided, the legislature intends to continue funding through a supplemental appropriation at fiscal year 2010 levels.

(12) \$16,000,000 of the tobacco prevention and control account—state appropriation is provided solely for local health jurisdictions to conduct core public health functions as defined in RCW 43.70.514.

(13) \$100,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1414 (health care assistants). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(14) \$42,000 of the health professions account—state appropriation is provided solely to implement Substitute House Bill No. 1740 (dentistry license issuance). If the bill is not enacted by June 30, 2009, the amount provided in this section shall lapse.

(15) \$23,000 of the health professions account—state appropriation is provided solely to implement Second Substitute House Bill No. 1899 (retired active physician licenses). If the bill is not enacted by June 30, 2009, the amount provided in this section shall lapse.

(16) \$12,000 of the general fund—state appropriation for fiscal year 2010 and \$67,000 of the general fund—private/local appropriation are provided solely to implement House Bill No. 1510 (birth certificates). If the bill is not enacted by June 30, 2009, the amount provided in this section shall lapse.

(17) \$31,000 of the health professions account is provided for the implementation of Second Substitute Senate Bill No. 5850 (human trafficking). If the bill is not enacted by June 2009, the amount provided in this subsection shall lapse.

(18) \$282,000 of the health professions account is provided for the implementation of Substitute Senate Bill No. 5752 (dentists cost recovery). If the bill is not enacted by June 2009, the amount provided in this subsection shall lapse.

(19) \$106,000 of the health professions account is provided for the implementation of Substitute Senate Bill No. 5601 (speech language assistants). If the bill is not enacted by June 2009, the amount provided in this subsection shall lapse.

(20) Sufficient funds are provided in this section to continue the health care WorkForce survey pursuant to RCW 43.70.695.

**Sec. 222 was partially vetoed. See message at end of chapter.*

***NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF CORRECTIONS**

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2010)	\$55,622,000
General Fund—State Appropriation (FY 2011)	\$56,318,000
TOTAL APPROPRIATION	\$111,940,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) Within funds appropriated in this section, the department shall seek contracts for chemical dependency vendors to provide chemical dependency treatment of offenders in corrections facilities, including corrections centers and community supervision facilities, which have demonstrated effectiveness in treatment of offenders and are able to provide data to show a successful treatment rate.

(b) \$35,000 of the general fund—state appropriation for fiscal year 2010 and \$35,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2010)	\$459,575,000
General Fund—State Appropriation (FY 2011)	\$629,070,000
General Fund—Federal Appropriation	\$185,131,000
General Fund—Private/Local Appropriation	\$3,536,000

Washington Auto Theft Prevention Authority Account—

State Appropriation	\$5,960,000
TOTAL APPROPRIATION	\$1,283,272,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as a recovery of costs.

(b) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

(c) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(d) During the 2009-11 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(e) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(f) The appropriations in this subsection are based upon savings assumed from the implementation of the following bills: Engrossed Senate Bill No. 6183 (illegal alien offenders), Engrossed House Bill No. 2194 (extraordinary medical placement), Senate Bill No. 6167 (crimes against property), Senate Bill No. 5525 (state institutions/release), chapter 147, Laws of 2009 (Substitute Senate Bill No. 5987) (corrections department personnel), and Substitute Senate Bill No. 6160 (criminal justice sentencing).

(g) A political subdivision which is applying for funding to mitigate one-time impacts associated with construction or expansion of a correctional institution, consistent with WAC 137-12A-030, may apply for the mitigation funds in the fiscal biennium in which the impacts occur or in the immediately succeeding fiscal biennium.

(h) Within amounts provided in this subsection, the department, jointly with the department of social and health services, shall identify the number of offenders released through the extraordinary medical placement program, the cost savings to the department of corrections, including estimated medical cost savings, and the costs for medical services in the community incurred by the department of social and health services. The department and the department of

social and health services shall jointly report to the office of financial management and the appropriate fiscal committees of the legislature by November 30, 2010.

(i) \$11,863,000 of the general fund—state appropriation for fiscal year 2010, \$11,864,000 of the general fund—state appropriation for fiscal year 2011, and \$2,336,000 of the general fund—private/local appropriation are provided solely for in-prison evidence-based programs and for the reception diagnostic center program as part of the offender re-entry initiative.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2010)	\$152,122,000
General Fund—State Appropriation (FY 2011)	\$141,982,000
General Fund—Federal Appropriation	\$750,000
TOTAL APPROPRIATION	\$294,854,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) \$2,083,000 of the general fund—state appropriation for fiscal year 2010 and \$2,083,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement Senate Bill No. 5525 (state institutions/release). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(c) \$375,000 of the general fund—state appropriation for fiscal year 2010 is provided solely as a matching amount of state funds for a federal second chance act grant and is contingent upon receipt of \$750,000 of federal funding under the second chance act.

(d) The appropriations in this subsection are based upon savings assumed from the implementation of Engrossed Substitute Senate Bill No. 5288 (supervision of offenders).

(e) \$2,791,000 of the general fund—state appropriation for fiscal year 2010 and \$3,166,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for evidence-based community programs and for community justice centers as part of the offender re-entry initiative.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2010)	\$2,574,000
General Fund—State Appropriation (FY 2011)	\$2,565,000
TOTAL APPROPRIATION	\$5,139,000

The appropriations in this subsection are subject to the following conditions and limitations: \$132,000 of the general fund—state appropriation for fiscal year 2010 and \$132,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2010)	\$40,455,000
General Fund—State Appropriation (FY 2011)	\$40,450,000
TOTAL APPROPRIATION	\$80,905,000

*Sec. 223 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 224. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2010)	\$2,544,000
General Fund—State Appropriation (FY 2011)	\$2,550,000
General Fund—Federal Appropriation	\$18,125,000
General Fund—Private/Local Appropriation	\$20,000
TOTAL APPROPRIATION	\$23,239,000

The amounts appropriated in this section are subject to the following conditions and limitations: Sufficient amounts are appropriated in this section to support contracts for services that provide employment support and help with life activities for deaf and blind individuals in King county.

NEW SECTION. Sec. 225. FOR THE SENTENCING GUIDELINES COMMISSION

General Fund—State Appropriation (FY 2010)	\$978,000
General Fund—State Appropriation (FY 2011)	\$976,000
TOTAL APPROPRIATION	\$1,954,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within the amounts appropriated in this section, the sentencing guidelines commission, in partnership with the courts, shall develop a plan to implement an evidence-based system of community custody for adult felons that will include the consistent use of evidence-based risk and needs assessment tools, programs, supervision modalities, and monitoring of program integrity. The plan for the evidence-based system of community custody shall include provisions for identifying cost-effective rehabilitative programs; identifying offenders for whom such programs would be cost-effective; monitoring the system for cost-effectiveness; and reporting annually to the legislature. In developing the plan, the sentencing guidelines shall consult with: The Washington state institute for public policy; the legislature; the department of corrections; local governments; prosecutors; defense attorneys; victim advocate groups; law enforcement; the Washington federation of state employees; and other interested entities. The sentencing guidelines commission shall report its recommendations to the governor and the legislature by December 1, 2009.

(2)(a) Except as provided in subsection (b), during the 2009-11 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d) and (h) shall be prepared within the available funds and may be delayed or suspended at the discretion of the commission.

(b) The commission shall submit the analysis described in section 15 of Engrossed Substitute Senate Bill No. 5288 no later than December 1, 2011.

NEW SECTION. Sec. 226. FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund—State Appropriation (FY 2010)	\$7,054,000
General Fund—State Appropriation (FY 2011)	\$53,000
General Fund—Federal Appropriation	\$320,561,000
General Fund—Private/Local Appropriation	\$33,825,000
Unemployment Compensation Administration	
Account—Federal Appropriation	\$332,904,000
Administrative Contingency Account—State	
Appropriation	\$293,000
Employment Service Administrative Account—	
State Appropriation	\$37,195,000
TOTAL APPROPRIATION	\$731,885,000

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$55,029,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to continue current unemployment insurance functions and department services to employers and job seekers.

(2) \$32,067,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to fund the replacement of the unemployment insurance tax information system (TAXIS) for the employment security department. This section is subject to section 902 of this act.

(3) \$110,000 of the unemployment compensation administration account—federal appropriation is provided solely for implementation of Senate Bill No. 5804 (leaving part time work voluntarily). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(4) \$1,263,000 of the unemployment compensation administration account—federal appropriation is provided solely for implementation of Senate Bill No. 5963 (unemployment insurance). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(5) \$159,000 of the unemployment compensation account—federal appropriation is provided solely for the implementation of House Bill No. 1555 (underground economy) from funds made available to the state by section 903(d) of the social security act (Reed act).

(6) \$293,000 of the administrative contingency—state appropriation for fiscal year 2010 is provided solely for the implementation of House Bill No. 2227 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(7) \$7,000,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the implementation of Senate Bill No. 5809 (WorkForce employment and training). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

PART III NATURAL RESOURCES

NEW SECTION. **Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund—State Appropriation (FY 2010)	\$441,000
General Fund—State Appropriation (FY 2011)	\$445,000
General Fund—Federal Appropriation	\$30,000
General Fund—Private/Local Appropriation	\$864,000
TOTAL APPROPRIATION	\$1,780,000

*NEW SECTION. **Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2010)	\$60,166,000
General Fund—State Appropriation (FY 2011)	\$58,190,000
General Fund—Federal Appropriation	\$82,452,000
General Fund—Private/Local Appropriation	\$16,668,000
Special Grass Seed Burning Research Account—State Appropriation	\$14,000
Reclamation Account—State Appropriation	\$3,679,000
Flood Control Assistance Account—State Appropriation	\$1,965,000
Waste Reduction/Recycling/Litter Control—State Appropriation	\$14,554,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$426,000
Freshwater Aquatic Algae Control Account—State Appropriation	\$509,000
Water Rights Tracking System Account—State Appropriation	\$116,000
Site Closure Account—State Appropriation	\$706,000
Wood Stove Education and Enforcement Account— State Appropriation	\$612,000
Worker and Community Right-to-Know Account— State Appropriation	\$1,670,000
State Toxics Control Account—State Appropriation	\$101,727,000
State Toxics Control Account—Private/Local Appropriation	\$383,000
Local Toxics Control Account—State Appropriation	\$24,730,000
Water Quality Permit Account—State Appropriation	\$37,433,000
Underground Storage Tank Account—State Appropriation	\$3,298,000
Biosolids Permit Account—State Appropriation	\$1,413,000
Hazardous Waste Assistance Account—State Appropriation	\$5,930,000
Air Pollution Control Account—State Appropriation	\$2,843,000
Oil Spill Prevention Account—State Appropriation	\$10,688,000
Air Operating Permit Account—State Appropriation	\$2,783,000
Freshwater Aquatic Weeds Account—State Appropriation	\$1,699,000

Oil Spill Response Account—State Appropriation	\$7,078,000
Metals Mining Account—State Appropriation.....	\$14,000
Water Pollution Control Revolving Account—State Appropriation.....	\$465,000
Water Pollution Control Revolving Account—Federal Appropriation.....	\$1,940,000
<i>Emissions Reduction Assistance Account—State Appropriation</i>	<i>\$49,000</i>
TOTAL APPROPRIATION	\$444,200,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$170,000 of the oil spill prevention account—state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) \$240,000 of the woodstove education and enforcement account—state appropriation is provided solely for citizen outreach efforts to improve understanding of burn curtailments, the proper use of wood heating devices, and public awareness of the adverse health effects of woodsmoke pollution.

(3) \$3,000,000 of the general fund—private/local appropriation is provided solely for contracted toxic-site cleanup actions at sites where multiple potentially liable parties agree to provide funding.

(4) \$3,600,000 of the local toxics account—state appropriation is provided solely for the standby emergency rescue tug stationed at Neah Bay.

(5) \$811,000 of the state toxics account—state appropriation is provided solely for oversight of toxic cleanup at facilities that treat, store, and dispose of hazardous wastes.

(6) \$1,456,000 of the state toxics account—state appropriation is provided solely for toxic cleanup at sites where willing parties negotiate prepayment agreements with the department and provide necessary funding.

(7) \$558,000 of the state toxics account—state appropriation and \$3,000,000 of the local toxics account—state appropriation are provided solely for grants and technical assistance to Puget Sound-area local governments engaged in updating shoreline master programs.

(8) \$950,000 of the state toxics control account—state appropriation is provided solely for measuring water and habitat quality to determine watershed health and assist salmon recovery, beginning in fiscal year 2011.

(9) RCW 70.105.280 authorizes the department to assess reasonable service charges against those facilities that store, treat, incinerate, or dispose of dangerous or extremely hazardous waste that involves both a nonradioactive hazardous component and a radioactive component. Service charges may not exceed the costs to the department in carrying out the duties in RCW 70.105.280. The current service charges do not meet the costs of the department to carry out its duties. Pursuant to RCW 43.135.055 and 70.105.280, the department is authorized to increase the service charges no greater than 18 percent for fiscal year 2010 and no greater than 15 percent for fiscal year 2011. Such service charges shall include all costs of public participation grants awarded to qualified entities by the department pursuant to RCW

70.105D.070(5) for facilities at which such grants are recognized as a component of a community relations or public participation plan authorized or required as an element of a consent order, federal facility agreement or agreed order entered into or issued by the department pursuant to any federal or state law governing investigation and remediation of releases of hazardous substances. Public participation grants funded by such service charges shall be in addition to, and not in place of, any other grants made pursuant to RCW 70.105D.070(5). Costs for the public participation grants shall be billed individually to the mixed waste facility associated with the grant.

(10) The department is authorized to increase the following fees in the 2009-2011 biennium as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Environmental lab accreditation, dam safety and inspection, biosolids permitting, air emissions new source review, and manufacturer registration and renewal.

(11) \$813,000 of the air pollution control account—state appropriation and \$49,000 of the emissions reduction account—state appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5735 (reducing greenhouse gas emissions). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(12) \$63,000 of the state toxics control account—state appropriation is provided solely for implementation of Substitute Senate Bill No. 5797 (solid waste handling permits). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(13) \$225,000 of the general fund—state appropriation for fiscal year 2010 and \$193,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute Bill No. 5560 (agency climate leadership). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(14) \$150,000 of the general fund—state appropriation for fiscal year 2010 and \$150,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for watershed planning implementation grants to continue ongoing efforts to develop and implement water agreements in the Nooksack Basin and the Bertrand watershed. These amounts are intended to support project administration; monitoring; negotiations in the Nooksack watershed between tribes, the department, and affected water users; continued implementation of a flow augmentation project; plan implementation in the Fishtrap watershed; and the development of a water bank.

(15) \$215,000 of the general fund—state appropriation for fiscal year 2010 and \$235,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to provide watershed planning implementation grants for WRIA 32 to implement Substitute House Bill No. 1580 (pilot local water management program). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(16) \$200,000 of the general fund—state appropriation for fiscal year 2010 and \$200,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the purpose of supporting the trust water rights program and processing trust water right transfer applications that improve instream flow.

(17)(a) The department shall convene a stock water working group that includes: Legislators, four members representing agricultural interests, three

members representing environmental interests, the attorney general or designee, the director of the department of ecology or designee, the director of the department of agriculture or designee, and affected federally recognized tribes shall be invited to send participants.

(b) The group shall review issues surrounding the use of permit-exempt wells for stock-watering purposes and may develop recommendations for legislative action.

(c) The working group shall meet periodically and report its activities and recommendations to the governor and the appropriate legislative committees by December 1, 2009.

(18) \$22,000 of the state toxics control account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5282 (bisphenol A use). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(19) \$73,000 of the water quality permit account—state appropriation is provided solely to implement Substitute House Bill No. 1413 (water discharge fees). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(20) The department shall continue to work with the Columbia Snake River irrigators' association to determine how seasonal water operation and maintenance conservation can be utilized. In implementing this proviso, the department shall also consult with the Columbia River policy advisory group as appropriate.

(21) The department shall track any changes in costs, wages, and benefits that would have resulted if House Bill No. 1716 (public contract living wages), as introduced in the 2009 regular session of the legislature, were enacted and made applicable to contracts and related subcontracts entered into, renewed, or extended during the 2009-11 biennium. The department shall submit a report to the house of representatives commerce and labor committee and the senate labor, commerce, and consumer protection committee by December 1, 2011. The report shall include data on any aggregate changes in wages and benefits that would have resulted during the 2009-11 biennium.

(22) Within amounts appropriated in this section the department shall develop recommendations by December 1, 2009, for a convenient and effective mercury-containing light recycling program for residents, small businesses, and small school districts throughout the state. The department shall consider options including but not limited to, a producer-funded program, a recycler-supported or recycle fee program, a consumer fee at the time of purchase, general fund appropriations, or a currently existing dedicated account. The department shall involve and consult with stakeholders including persons who represent retailers, waste haulers, recyclers, mercury-containing light manufacturers or wholesalers, cities, counties, environmental organizations and other interested parties. The department shall report its findings and recommendations for a recycling program for mercury-containing lights to the appropriate committees of the legislature by December 1, 2009.

(23) During the 2009-11 biennium, the department shall implement its cost reimbursement authority for processing water right applications using a competitive bidding process. For each cost reimbursement application, the department shall obtain cost proposals and other necessary information from at

least three prequalified costs reimbursement consultants and shall select the lowest responsive bidder.

(24) \$140,000 of the freshwater aquatic algae control account—state appropriation is provided solely for grants to cities, counties, tribes, special purpose districts, and state agencies for capital and operational expenses used to manage and study excessive saltwater algae with an emphasis on the periodic accumulation of sea lettuce on Puget Sound beaches.

(25) By December 1, 2009, the department in consultation with local governments shall conduct a remedial action grant financing alternatives report. The report shall address options for financing the remedial action grants identified in the department's report, entitled "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing Plan" and shall include but not be limited to the following: (a) Capitalizing cleanup costs using debt insurance; (b) capitalizing cleanup costs using prefunded cost-cap insurance; (c) other contractual instruments with local governments; and (d) an assessment of overall economic benefits of the remedial action grants funded using the instruments identified in this section.

*Sec. 302 was partially vetoed. See message at end of chapter.

***NEW SECTION. Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund—State Appropriation (FY 2010)	\$23,541,000
General Fund—State Appropriation (FY 2011)	\$22,944,000
General Fund—Federal Appropriation	\$5,902,000
General Fund—Private/Local Appropriation	\$73,000
Winter Recreation Program Account—State Appropriation	\$1,558,000
Off Road Vehicle Account—State Appropriation	\$239,000
Snowmobile Account—State Appropriation	\$4,842,000
Aquatic Lands Enhancement Account—State Appropriation	\$363,000
Recreation Resources Account—State Appropriation	\$9,802,000
NOVA Program Account—State Appropriation	\$9,560,000
Parks Renewal and Stewardship Account—State Appropriation	\$73,278,000
Parks Renewal and Stewardship Account— Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	\$152,402,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$79,000 of the general fund—state appropriation for fiscal year 2010 and \$79,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a grant for the operation of the Northwest avalanche center.

(2) \$1,500,000 of the parks renewal and stewardship account—state appropriation is provided solely to implement Substitute House Bill No. 2109 (state parks and recreation funding). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) Proceeds received from voluntary donations given by motor vehicle registration applicants shall be used solely for the operation and maintenance of state parks.

(4) The commission shall actively pursue transferring ownership of state parks to local governments, tribes, or other entities that have expressed an interest in operating the park. The commission shall provide biannual updates of this effort to the office of financial management and the appropriate fiscal committees of the legislature. The first report shall be submitted no later than December 1, 2009.

(5) With the passage of Substitute House Bill No. 2339 (state parks system donation), the legislature finds that it has provided sufficient funds to ensure that all state parks remain open during the 2009-11 biennium. The commission shall not close state parks unless the bill is not enacted by June 30, 2009, or revenue collections are insufficient to fund the ongoing operation of state parks. By January 10, 2010, the commission shall provide a report to the legislature on their budget and resources related to operating parks for the remainder of the biennium.

(6) The commission shall work with the department of general administration to evaluate the commission's existing leases with the intention of increasing net revenue to state parks. The commission shall provide to the office of financial management and the legislative fiscal committees no later than September 30, 2009, a list of leases the commission proposes be managed by the department of general administration.

*Sec. 303 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 304. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

General Fund—State Appropriation (FY 2010)	\$1,511,000
General Fund—State Appropriation (FY 2011)	\$1,558,000
General Fund—Federal Appropriation	\$10,431,000
General Fund—Private/Local Appropriation	\$250,000
Aquatic Lands Enhancement Account—State Appropriation	\$278,000
Firearms Range Account—State Appropriation	\$39,000
Recreation Resources Account—State Appropriation	\$2,805,000
NOVA Program Account—State Appropriation	\$1,062,000
TOTAL APPROPRIATION	\$17,934,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$204,000 of the general fund—state appropriation for fiscal year 2010 and \$244,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of Substitute House Bill No. 2157 (salmon recovery). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(2) The recreation and conservation office, under the direction of the salmon recovery funding board, shall assess watershed and regional-scale capacity issues relating to the support and implementation of salmon recovery. The assessment shall examine priority setting and incentives to further promote coordination to ensure that effective and efficient mechanisms for delivery of salmon recovery funding board funds are being utilized. The salmon recovery funding board shall distribute its operational funding to the appropriate entities based on this assessment.

NEW SECTION. Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE

General Fund—State Appropriation (FY 2010)	\$1,079,000
General Fund—State Appropriation (FY 2011)	\$1,074,000
TOTAL APPROPRIATION	\$2,153,000

NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2010)	\$7,692,000
General Fund—State Appropriation (FY 2011)	\$7,707,000
General Fund—Federal Appropriation	\$1,179,000
TOTAL APPROPRIATION	\$16,578,000

***NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund—State Appropriation (FY 2010)	\$41,234,000
General Fund—State Appropriation (FY 2011)	\$39,939,000
General Fund—Federal Appropriation	\$86,330,000
General Fund—Private/Local Appropriation	\$47,490,000
Off Road Vehicle Account—State Appropriation	\$415,000
Aquatic Lands Enhancement Account—State Appropriation	\$6,757,000
Recreational Fisheries Enhancement—State Appropriation	\$3,640,000
Warm Water Game Fish Account—State Appropriation	\$2,877,000
Eastern Washington Pheasant Enhancement Account— State Appropriation	\$848,000
Aquatic Invasive Species Enforcement Account— State Appropriation	\$207,000
Aquatic Invasive Species Prevention Account— State Appropriation	\$844,000
Wildlife Account—State Appropriation	\$74,744,000
Game Special Wildlife Account—State Appropriation	\$2,381,000
Game Special Wildlife Account—Federal Appropriation	\$8,928,000
Game Special Wildlife Account—Private/Local Appropriation	\$487,000
Wildlife Rehabilitation Account—State Appropriation	\$270,000
Regional Fisheries Salmonid Recovery Account— Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	\$884,000
Oyster Reserve Land Account—State Appropriation	\$918,000
TOTAL APPROPRIATION	\$324,194,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$294,000 of the aquatic lands enhancement account—state appropriation is provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

(2) \$355,000 of the general fund—state appropriation for fiscal year 2010 and \$422,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department to implement a pilot project with the

Confederated Tribes of the Colville Reservation to develop expanded recreational fishing opportunities on Lake Rufus Woods and its northern shoreline and to conduct joint enforcement of lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to state and tribal intergovernmental agreements developed under the Columbia River water supply program. For the purposes of the pilot project:

(a) A fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirement of RCW 77.32.010 on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

(b) The Colville Tribes have agreed to provide to holders of its nontribal member fishing permits a means to demonstrate that fish in their possession were lawfully taken in Lake Rufus Woods;

(c) A Colville tribal member identification card shall satisfy the license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

(d) The department and the Colville Tribes shall jointly designate fishing areas on the north shore of Lake Rufus Woods for the purposes of enhancing access to the recreational fisheries on the lake; and

(e) The Colville Tribes have agreed to recognize a fishing license issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal member fishing permit requirements of Colville tribal law on the reservation portion of the waters of Lake Rufus Woods and at designated fishing areas on the north shore of Lake Rufus Woods;

(3) Prior to submitting its 2011-2013 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management with their agency budget proposal.

(4) Within existing funds, the department shall continue implementing its capital program action plan dated September 1, 2007, including the purchase of the necessary maintenance and support costs for the capital programs and engineering tools. The department shall report to the office of financial management and the appropriate committees of the legislature, its progress in implementing the plan, including improvements instituted in its capital program, by September 30, 2011.

(5) \$66,000 of the state wildlife account—state appropriation is provided solely to implement Substitute House Bill No. 1972 (outdoor recreation info). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(6) \$1,232,000 of the state wildlife account—state appropriation is provided solely to implement Substitute House Bill No. 1778 (fish and wildlife). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(7) \$400,000 of the general fund—state appropriation for fiscal year 2010 and \$400,000 of the general fund—state appropriation for fiscal year 2011 are

provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for removal of derelict gear in Washington waters.

(9) The department of fish and wildlife shall dispose of all fixed wing aircraft it currently owns. The proceeds from the aircraft shall be deposited into the state wildlife account. Disposal of the aircraft must occur no later than June 30, 2010.

(10) \$50,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for an electron project fish passage study consistent with the recommendations and protocols contained in the 2008 electron project downstream fish passage final report.

(11) \$60,000 of the general fund—state appropriation for fiscal year 2010 and \$60,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute Bill No. 5560 (agency climate leadership). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(12) If sufficient new revenues are not identified to continue hatchery operations, within the constraints of legally binding tribal agreements, the department shall dispose of, by removal, sale, lease, reversion, or transfer of ownership, the following hatcheries: McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock. Disposal of the hatcheries must occur by June 30, 2011, and any proceeds received from disposal shall be deposited in the state wildlife account. Within available funds, the department shall provide quarterly reports on the progress of disposal to the office of financial management and the appropriate fiscal committees of the legislature. The first report shall be submitted no later than September 30, 2009.

(13) \$100,000 of the eastern Washington pheasant enhancement account—state appropriation is provided solely for the department to support efforts to enhance permanent and temporary pheasant habitat on public and private lands in Grant, Franklin, and Adams counties. The department may support efforts by entities including conservation districts, nonprofit organizations, and landowners, and must require such entities to provide significant nonstate matching resources, which may be in the form of funds, material, or labor.

**Sec. 307 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund—State Appropriation (FY 2010)	\$40,275,000
General Fund—State Appropriation (FY 2011)	\$40,857,000
General Fund—Federal Appropriation	\$26,731,000
General Fund—Private/Local Appropriation	\$1,371,000
Forest Development Account—State Appropriation	\$41,765,000
Off Road Vehicle Account—State Appropriation	\$4,236,000
Surveys and Maps Account—State Appropriation	\$2,543,000
Aquatic Lands Enhancement Account—State Appropriation	\$7,217,000
Resources Management Cost Account—State Appropriation	\$78,951,000

Surface Mining Reclamation Account—State	
Appropriation	\$3,490,000
Disaster Response Account—State Appropriation	\$5,000,000
Forest and Fish Support Account—State Appropriation	\$8,000,000
Aquatic Land Dredged Material Disposal Site	
Account—State Appropriation	\$1,336,000
Natural Resources Conservation Areas Stewardship	
Account—State Appropriation	\$34,000
State Toxics Control Account—State Appropriation	\$80,000
Air Pollution Control Account—State Appropriation	\$569,000
NOVA Program Account—State Appropriation	\$982,000
Derelict Vessel Removal Account—State Appropriation	\$1,754,000
Agricultural College Trust Management Account—	
State Appropriation	\$2,643,000
TOTAL APPROPRIATION	\$267,834,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,355,000 of the general fund—state appropriation for fiscal year 2010 and \$1,299,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) \$11,128,000 of the general fund—state appropriation for fiscal year 2010, \$11,128,000 of the general fund—state appropriation for fiscal year 2011, and \$5,000,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

(3) \$5,000,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) \$600,000 of the derelict vessel removal account—state appropriation is provided solely for removal of derelict and abandoned vessels that have the potential to contaminate Puget Sound.

(5) \$666,000 of the general fund—federal appropriation is provided solely to implement House Bill No. 2165 (forest biomass energy project). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(6) \$5,000 of the general fund—state appropriation for fiscal year 2010 and \$5,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement Substitute House Bill No. 1038 (specialized forest

products). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(7) \$440,000 of the state general fund—state appropriation for fiscal year 2010 and \$440,000 of the state general fund—state appropriation for fiscal year 2011 are provided solely for forest work crews that support correctional camps and are contingent upon continuing operations of Naselle youth camp at the level provided in fiscal year 2008. The department shall consider using up to \$2,000,000 of the general fund—federal appropriation to support and utilize correctional camp crews to implement natural resource projects approved by the federal government for federal stimulus funding.

(8) The department of natural resources shall dispose of the King Air aircraft it currently owns. Disposal of the aircraft must occur no later than June 30, 2010, and the proceeds from the sale of the aircraft shall be deposited into the natural resources equipment revolving fund. At the expiration of current leases, the department shall lease facilities in eastern Washington sufficient to house the necessary aircraft, mechanics, and pilots used for forest fire prevention and suppression.

(9) \$30,000 of the general fund—state appropriation for fiscal year 2010 and \$30,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute Bill No. 5560 (agency climate leadership). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

***NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

General Fund—State Appropriation (FY 2010)	\$12,616,000
General Fund—State Appropriation (FY 2011)	\$12,295,000
General Fund—Federal Appropriation	\$11,565,000
General Fund—Private/Local Appropriation	\$194,000
Aquatic Lands Enhancement Account—State Appropriation	\$2,559,000
State Toxics Control Account—State Appropriation	\$4,298,000
Water Quality Permit Account—State Appropriation	\$61,000
TOTAL APPROPRIATION	\$43,588,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$350,000 of the aquatic lands enhancement account appropriation is provided solely for funding to the Pacific county noxious weed control board to eradicate remaining spartina in Willapa Bay.

(2) \$19,000 of the general fund—state appropriation for fiscal year 2010 and \$6,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement Substitute Senate Bill No. 5797 (solid waste handling permits). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(3) The department is authorized to establish or increase the following fees in the 2009-11 biennium as necessary to meet the actual costs of conducting business: Christmas tree grower licensing, nursery dealer licensing, plant pest inspection and testing, and commission merchant licensing.

(4) Within the amounts appropriated in this section, the department of agriculture shall convene meetings with the dairy industry representatives and affected groups to consider alternatives for stabilizing farm milk prices. The department of agriculture shall provide a report of findings to the appropriate committees of the legislature and the office of financial management no later than December 15, 2009.

(5) \$63,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for implementation of Engrossed Substitute Bill No. 5005 (naturally raised beef cattle). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 309 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM

Pollution Liability Insurance Program Trust

Account—State Appropriation \$638,000

NEW SECTION. Sec. 311. FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2010) \$3,223,000

General Fund—State Appropriation (FY 2011) \$3,194,000

General Fund—Federal Appropriation \$3,623,000

Aquatic Lands Enhancement Account—State Appropriation \$500,000

State Toxics Control Account—State Appropriation \$896,000

TOTAL APPROPRIATION \$11,436,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$305,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for measuring water and habitat quality to determine watershed health and assist salmon recovery.

(2) \$896,000 of the state toxics control account—state appropriation is provided solely for activities that contribute to Puget Sound protection and recovery, including provision of independent advice and assessment of the state's oil spill prevention, preparedness, and response programs, including review of existing activities and recommendations for any necessary improvements. The partnership may carry out this function through an existing committee, such as the ecosystem coordination board or the leadership council, or may appoint a special advisory council. Because this is a unique statewide program, the partnership may invite participation from outside the Puget Sound region.

(3) Within the amounts appropriated in this section, the Puget Sound partnership shall facilitate an ongoing monitoring consortium to integrate monitoring efforts for storm water, water quality, watershed health, and other indicators to enhance monitoring efforts in Puget Sound.

(4) The Puget Sound partnership shall work with Washington State University and the environmental protection agency to secure funding for the beach watchers program.

(5) \$877,000 of the general fund—state appropriation for fiscal year 2010 and \$877,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to support public education and volunteer programs. The partnership is directed to distribute the majority of funding as grants to local

organizations, local governments, and education, communication, and outreach network partners. The partnership shall track progress for this activity through the accountability system of the Puget Sound partnership.

NEW SECTION. Sec. 312. Transfers from natural resource funds in part VIII of this act are intended to support natural resource agencies.

PART IV TRANSPORTATION

***NEW SECTION. Sec. 401. FOR THE DEPARTMENT OF LICENSING**

General Fund—State Appropriation (FY 2010)	\$1,668,000
General Fund—State Appropriation (FY 2011)	\$1,712,000
Architects' License Account—State Appropriation	\$1,056,000
<i>Cemetery Account—State Appropriation</i>	<i>\$414,000</i>
Professional Engineers' Account—State Appropriation	\$3,586,000
Real Estate Commission Account—State Appropriation	\$10,047,000
Master License Account—State Appropriation	\$15,718,000
Uniform Commercial Code Account—State Appropriation	\$3,100,000
Real Estate Education Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	\$1,692,000
Business and Professions Account—State Appropriation	\$15,270,000
Real Estate Research Account—State Appropriation	\$320,000
<i>Funeral Directors And Embalmers Account—State Appropriation</i>	<i>\$885,000</i>
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$31,000
TOTAL APPROPRIATION	\$55,828,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Pursuant to RCW 43.135.055, the department is authorized to increase fees for cosmetologists, funeral directors, cemeteries, court reporters and appraisers. These increases are necessary to support the expenditures authorized in this section, consistent with RCW 43.24.086.

(2) \$1,352,000 of the business and professions account—state appropriation is provided solely to implement Substitute Senate Bill No. 5391 (tattoo and body piercing). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$289,000 of the architects' license account—state appropriation is provided solely to implement Senate Bill No. 5529 (architects). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(4) \$358,000 of the business and professions account—state appropriation is provided solely to implement Senate Bill No. 6126 (professional athletics). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

***Sec. 401 was partially vetoed. See message at end of chapter.**

***NEW SECTION. Sec. 402. FOR THE STATE PATROL**

General Fund—State Appropriation (FY 2010)	\$41,468,000
General Fund—State Appropriation (FY 2011)	\$40,366,000
General Fund—Federal Appropriation	\$11,401,000
General Fund—Private/Local Appropriation	\$3,568,000
Death Investigations Account—State Appropriation	\$6,022,000
Enhanced 911 Account—State Appropriation	\$589,000
County Criminal Justice Assistance Account—State Appropriation	\$3,122,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,245,000
Fire Service Trust Account—State Appropriation	\$131,000
Disaster Response Account—State Appropriation	\$8,002,000
Fire Service Training Account—State Appropriation	\$8,717,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$504,000
Fingerprint Identification Account—State Appropriation	\$7,371,000
TOTAL APPROPRIATION	\$132,560,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) \$8,000,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 and 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) The state patrol shall implement a cost recovery method to fully recover costs for operating the two king air airplanes. Users of the plane, including the state patrol and the governor's office, shall be charged an appropriate amount to cover all operating and maintenance costs of the plane. The state patrol shall report on this method, the rates being charged, total operational expenses, and information regarding usage of the planes to the office of financial management and the appropriate committees of the legislature.

(4) The 2010 legislature will review the use of king air planes by the executive branch and the adequacy of funding in this budget regarding maintaining and operating the planes to successfully accomplish their mission.

(5) The appropriations in this section reflect reductions in the appropriations for the agency's administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing

those administrative costs that do not affect direct client services or direct service delivery or programs.

(6) \$400,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(7) \$48,000 of the fingerprint identification account—state appropriation is provided solely to implement Substitute House Bill No. 1621 (consumer loan companies). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 402 was partially vetoed. See message at end of chapter.

PART V EDUCATION

NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2010)	\$34,798,000
General Fund—State Appropriation (FY 2011)	\$32,969,000
General Fund—Federal Appropriation	\$86,571,000
TOTAL APPROPRIATION	\$154,338,000

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of \$22,532,000 of the general fund—state appropriation for fiscal year 2010 and \$21,023,000 of the general fund—state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,792,000 of the general fund—state appropriation for fiscal year 2010 and \$11,325,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, via the monthly report of school district enrollment, accurate monthly headcount and FTE enrollments for students in internet alternative learning experience (ALE) programs as well as information about resident and serving districts.

(iii) \$927,000 of the general fund—state appropriation for fiscal year 2010 and \$941,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for research and development activities associated with the development of options for new school finance systems, including technical staff, reprogramming, and analysis of alternative student funding formulae. Within this amount is \$150,000 for the state board of education for further development of accountability systems, and \$150,000 for the professional educator standards board for continued development of teacher certification and evaluation systems.

(b) \$965,000 of the general fund—state appropriation for fiscal year 2010 and \$965,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(c) \$5,366,000 of the general fund—state appropriation for fiscal year 2010 and \$5,264,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to the professional educator standards board for the following:

(i) \$1,070,000 in fiscal year 2010 and \$1,070,000 in fiscal year 2011 are for the operation and expenses of the Washington professional educator standards board, including administering the alternative routes to certification program, pipeline for paraeducators conditional scholarship loan program, and the retooling to teach math conditional loan program;

(ii) \$3,431,000 of the general fund—state appropriation for fiscal year 2010 and \$3,431,000 of the general fund—state appropriation for fiscal year 2011 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board. Of these amounts:

(A) \$500,000 each year is for conditional scholarships to candidates seeking an endorsement in special education, math, science, or bilingual education;

(B) \$2,372,000 for fiscal year 2010 and \$2,372,000 for fiscal year 2011 are for the expansion of conditional scholarship loans and mentor stipends for individuals enrolled in alternative route state partnership programs and seeking endorsements in math, science, special education or bilingual education;

(C) Any remaining amounts in this subsection (c) shall be used to continue existing alternative routes to certification programs; and

(D) Candidates seeking math and science endorsements under (A) and (B) of this subsection shall receive priority for funding;

(iii) \$231,000 of the general fund—state appropriation for fiscal year 2010 and \$231,000 of the general fund—state appropriation for fiscal year 2011 are for the recruiting Washington teachers program;

(iv) \$200,000 of the general fund—state appropriation for fiscal year 2010 and \$200,000 of the general fund—state appropriation for fiscal year 2011 provided in this subsection are for \$4,000 conditional loan stipends for paraeducators participating in the pipeline for paraeducators program;

(v) \$244,000 of the general fund—state appropriation for fiscal year 2010 and \$244,000 of the general fund—state appropriation for fiscal year 2011 are for conditional stipends for certificated teachers pursuing a mathematics or science endorsement under the retooling to teach mathematics or science program. The conditional stipends shall be for endorsement exam fees as well as stipends for teachers who must also complete coursework; and

(vi) \$102,000 of the general fund—state appropriation for fiscal year 2010 is provided for the implementation of Second Substitute Senate Bill No. 5973 (student achievement gap). The professional educator standards board (PESB) will convene a workgroup to identify a list of model standards for cultural competency and make recommendations to the education committees of the legislature on the strengths and weaknesses of those standards. Funding is also included here in the amount of \$10,000 for the PESB to develop an interagency agreement with the center for the improvement of student learning to participate.

(d) \$1,099,000 of the general fund—state appropriation for fiscal year 2010 and \$144,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for replacement of the apportionment system, which includes the processes that collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(e) \$1,227,000 of the general fund—state appropriation for fiscal year 2010 and \$1,227,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902 of this act.

(f) \$75,000 of the general fund—state appropriation for fiscal year 2010 and \$75,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial education public-private partnership.

(g) To the maximum extent possible, in adopting new agency rules or making any changes to existing rules or policies related to the fiscal provisions in the administration of part V of this act, the office of the superintendent of public instruction shall attempt to request approval through the normal legislative budget process.

(h) \$44,000 of the general fund—state appropriation for fiscal year 2010 and \$45,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of Substitute Senate Bill No. 5248 (enacting the interstate compact on educational opportunity for military children).

(i) \$700,000 of the general fund—state appropriation for fiscal year 2010 and \$700,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the implementation of Substitute Senate Bill No. 5410 (online learning).

(j) \$25,000 of the general fund—state appropriation for fiscal year 2010 and \$25,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

(2) \$12,836,000 of the general fund—state appropriation for fiscal year 2010, \$12,407,000 of the general fund—state appropriation for fiscal year 2011, and \$55,890,000 of the general fund—federal appropriation are for statewide programs.

(a) HEALTH AND SAFETY

(i) \$2,541,000 of the general fund—state appropriation for fiscal year 2010 and \$2,541,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school

safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(iii) \$9,670,000 of the general fund—federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies.

(iv) \$96,000 of the general fund—state appropriation for fiscal year 2010 and \$96,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

(A) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(B) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(v) \$70,000 of the general fund—state appropriation for fiscal year 2010 and \$70,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the youth suicide prevention program.

(vi) \$50,000 of the general fund—state appropriation for fiscal year 2010 and \$50,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(b) TECHNOLOGY

(i) \$1,939,000 of the general fund—state appropriation for fiscal year 2010 and \$1,939,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(ii) \$1,475,000 of the general fund—state appropriation for fiscal year 2010, \$1,045,000 of the general fund—state appropriation for fiscal year 2011, and \$435,000 of the general fund—federal appropriation are provided solely for implementing a comprehensive data system to include financial, student, and educator data. The office of the superintendent of public instruction will convene a data governance group to create a comprehensive needs-requirement document, conduct a gap analysis, and define operating rules and a governance structure for K-12 data collections. A preliminary report shall be submitted to the fiscal committees and the education policy committees of the house of representatives and senate by November 2009.

(iii) \$1,656,000 of the general fund—federal appropriation for fiscal year 2010 and \$2,483,000 of the general fund—federal appropriation for fiscal year 2011 of the American recovery and reinvestment act (ARRA) 2009 funds for education technology are provided solely for distribution to school districts, by

formula, as provided in the ARRA and related federal guidelines. \$4,139,000 of the general fund—federal appropriation of the American recovery and reinvestment act (ARRA) 2009 funds for education technology shall be awarded to local education agencies through a competitive grant process.

(c) GRANTS AND ALLOCATIONS

(i) \$1,329,000 of the general fund—state appropriation for fiscal year 2010 and \$1,329,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the special services pilot project to include up to seven participating districts. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.016.

(ii) \$750,000 of the general fund—state appropriation for fiscal year 2010 and \$750,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(iii) \$25,000 of the general fund—state appropriation for fiscal year 2010 and \$25,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for developing and disseminating curriculum and other materials documenting women's role in World War II.

(iv) \$175,000 of the general fund—state appropriation for fiscal year 2010 and \$175,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for incentive grants for districts and pilot projects to develop preapprenticeship programs. Incentive grant awards up to \$10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(v) \$3,219,000 of the general fund—state appropriation for fiscal year 2010 and \$3,220,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the dissemination of the navigation 101 curriculum to all districts. The funding shall support electronic student planning tools and software for analyzing the impact of navigation 101 on student performance, as well as grants to a maximum of one hundred school districts each year, based on progress and need for the implementation of the navigation 101 program. The implementation grants shall be awarded to a cross-section of school districts reflecting a balance of geographic and demographic characteristics. Within the amounts provided, the office of the superintendent of public instruction will create a navigation 101 accountability model to analyze the impact of the program.

(vi) \$675,000 of the general fund—state appropriation for fiscal year 2010 and \$675,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of a statewide program for comprehensive dropout prevention, intervention, and retrieval.

(vii) \$50,000 of the general fund—state appropriation for fiscal year 2010 and \$50,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for program initiatives to address the educational needs of Latino students and families. Using the full amounts of the appropriations under this subsection (2)(c)(vii), the office of the superintendent of public instruction

shall contract with the Seattle community coalition of compaña quetzal to provide for three initiatives: (A) Early childhood education; (B) parent leadership training; and (C) high school success and college preparation programs. (viii) \$75,000 of the general fund—state appropriation for fiscal year 2010 and \$75,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for a pilot project to encourage bilingual high school students to pursue public school teaching as a profession. Using the full amounts of the appropriation under this subsection, the office of the superintendent of public instruction shall contract with the Latino/a educational achievement project (LEAP) to work with school districts to identify and mentor not fewer than fifty bilingual students in their junior year of high school, encouraging them to become bilingual instructors in schools with high English language learner populations. Students shall be mentored by bilingual teachers and complete a curriculum developed and approved by the participating districts.

(ix) \$145,000 of the general fund—state appropriation for fiscal year 2010 and \$145,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to the office of the superintendent of public instruction to enhance the reading skills of students with dyslexia by implementing the findings of the dyslexia pilot program. Funds shall be used to provide information and training to classroom teachers and reading specialists, for development of a dyslexia handbook, and to take other statewide actions to improve the reading skills of students with dyslexia. The training program shall be delivered regionally through the educational service districts.

(x) \$97,000 of the general fund—state appropriation for fiscal year 2010 and \$97,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to support vocational student leadership organizations.

(xi) \$25,000 of the general—state appropriation for fiscal year 2010 and \$25,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the communities in school program in Pierce county.

NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2010)	\$5,083,217,000
General Fund—State Appropriation (FY 2011)	\$5,103,543,000
TOTAL APPROPRIATION	\$10,186,760,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (2) Allocations for certificated staff salaries for the 2009-10 and 2010-11 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (e) through (g) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (d) through (g) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii)(A) Fifty-three and two-tenths certificated instructional staff units per thousand full-time equivalent students in grades K-4 for districts that enroll fewer than 25 percent of their total full-time equivalent student enrollment in grades K-4 in digital or online learning programs defined in WAC 392-121-182.

(B) All other districts shall be allocated a minimum of forty-nine certificated instructional staff units per 1,000 full-time-equivalent (FTE) students in grades K through four, and shall be allocated additional certificated instructional staff units to equal the documented staffing level in grades K through four, up to a maximum of fifty-three and two-tenths certificated instructional staff units per 1,000 FTE students.

(C) Certificated instructional staff allocations in this subsection (2)(a)(ii) exceeding the statutory minimums established in RCW 28A.150.260 shall not be considered part of basic education.

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 5-12;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2010-11 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state

board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students;

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(h) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2009-10 and 2010-11 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(e) through (h) of this section, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each 58.75 average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-11 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 16.58 percent in the 2009-10 school year and 16.58 percent in the 2010-11 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(2) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (g) of this section, there shall be provided a maximum of \$10,179 per certificated staff unit in the 2009-10 school year and a maximum of \$10,445 per certificated staff unit in the 2010-11 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$24,999 per certificated staff unit in the 2009-10 school year and a maximum of \$25,449 per certificated staff unit in the 2010-11 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$19,395 per certificated staff unit in the 2009-10 school year and a maximum of \$19,744 per certificated staff unit in the 2010-11 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$607.44 for the 2009-10 and 2010-11 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied

by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) Funding in this section is sufficient to provide additional service year credits to educational staff associates pursuant to chapter 403, Laws of 2007.

(10)(a) The superintendent may distribute a maximum of \$7,288,000 outside the basic education formula during fiscal years 2010 and 2011 as follows:

(i) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010 and a maximum of \$577,000 may be expended in fiscal year 2011;

(ii) For summer vocational programs at skills centers, a maximum of \$2,385,000 may be expended for the 2010 fiscal year and a maximum of \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(iii) A maximum of \$404,000 may be expended for school district emergencies; and

(iv) A maximum of \$485,000 each fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(b) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(11) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 4.0 percent from the 2008-09 school year to the 2009-10 school year and 4.0 percent from the 2009-10 school year to the 2010-11 school year.

(12) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (g) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION. (1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP Document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on April 22, 2009, at 08:22 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on April 22, 2009, at 08:22 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 14.43 percent for school year 2009-10 and 14.43 percent for school year 2010-11 for certificated staff and for classified staff 16.58 percent for school year 2009-10 and 16.58 percent for the 2010-11 school year.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2009-10

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
10			43,877	45,498	48,794	51,195	48,995	52,291	54,692
11				47,032	50,399	52,849	50,528	53,897	56,345
12				48,517	52,048	54,571	52,122	55,545	58,068

13	53,737	56,335	53,773	57,234	59,831
14	55,434	58,165	55,471	59,042	61,663
15	56,877	59,679	56,913	60,577	63,266
16 or more	58,014	60,871	58,051	61,788	64,531

Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2010-11

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 or PHD
0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115
1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589
2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
10			43,877	45,498	48,794	51,195	48,995	52,291	54,692
11				47,032	50,399	52,849	50,528	53,897	56,345
12				48,517	52,048	54,571	52,122	55,545	58,068
13					53,737	56,335	53,773	57,234	59,831
14					55,434	58,165	55,471	59,042	61,663
15					56,877	59,679	56,913	60,577	63,266
16 or more					58,014	60,871	58,051	61,788	64,531

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this act, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 2 and the salary schedules in subsection (4)(a) of this section include one learning improvement day. A school district is eligible for the learning improvement day funds only if the learning improvement day has been added to the 180-day contract year. If fewer days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional day shall be limited to specific activities identified in the state required school improvement plan related to improving student learning that are consistent with education reform implementation, and shall not be considered part of basic education. The principal in each school shall assure that the days are used to provide the necessary school-wide, all staff professional development that is tied directly to the school improvement plan. The school principal and the district superintendent shall maintain documentation as to their approval of these activities. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

(8) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2010)	(\$4,215,000)
General Fund—State Appropriation (FY 2011)	\$14,172,000
General Fund—Federal Appropriation	\$6,000
TOTAL APPROPRIATION	\$9,963,000

The appropriations in this section are subject to the following conditions and limitations:

(1)(a) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

(b) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These adjustments shall ensure a minimum salary allocation for certificated administrative staff of \$57,986 in the 2009-10 school year and \$57,986 in the 2010-11 school year.

(c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These

salary adjustments ensure a minimum salary allocation for classified staff of \$31,865 in the 2009-10 school year and \$31,865 in the 2010-11 school year.

(d) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates 13.79 percent for the 2009-10 school year and 13.79 percent for the 2010-11 school year for certificated staff and 13.08 percent for the 2009-10 school year and 13.08 percent for the 2010-11 school year for classified staff.

(e) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act. The appropriations in this section provide incremental fringe benefit alterations based on formula adjustments as follows:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0	\$0
Highly Capable (per formula student)	(\$1.49)	(\$1.49)
Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$3.93)
Learning Assistance (per formula student)	(\$1.18)	(\$1.18)

(f) The appropriations in this section include no salary adjustments for substitute teachers.

(2) \$44,188,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$732.00 per month for the 2009-10 and 2010-11 school years. The appropriations in this section provide for a rate increase to \$745.00 per month for the 2009-10 school year and \$768.00 per month for the 2010-11 school year. The adjustments to health insurance benefits are at the following rates:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
Highly Capable (per formula student)	\$0.82	\$2.22
Transitional Bilingual Education (per eligible bilingual student)	\$2.10	\$5.83
Learning Assistance (per formula student)	\$0.54	\$1.49

(3) The rates specified in this section are subject to revision each year by the legislature.

NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2010)	\$307,357,000
General Fund—State Appropriation (FY 2011)	\$307,070,000
TOTAL APPROPRIATION	\$614,427,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$878,000 of this fiscal year 2010 appropriation and a maximum of \$894,000 of the fiscal year 2011 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) Allocations for transportation of students shall be based on reimbursement rates of \$48.15 per weighted mile in the 2009-10 school year and \$48.40 per weighted mile in the 2010-11 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(4) The office of the superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(5) The superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(6) Funding levels in this section reflect reductions from the implementation of Substitute House Bill No. 1292 (authorizing waivers from the one hundred eighty-day school year requirement in order to allow four-day school weeks).

NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund—State Appropriation (FY 2010)	\$3,159,000
General Fund—State Appropriation (FY 2011)	\$3,159,000

General Fund—Federal Appropriation	\$281,988,000
TOTAL APPROPRIATION	\$288,306,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,000,000 of the general fund—state appropriation for fiscal year 2010 and \$3,000,000 of the general fund—state appropriation for fiscal year 2011 are provided for state matching money for federal child nutrition programs.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the 2011 fiscal year appropriation are provided for summer food programs for children in low-income areas.

(3) \$59,000 of the general fund—state appropriation for fiscal year 2010 and \$59,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to reimburse school districts for school breakfasts served to students enrolled in the free or reduced price meal program pursuant to chapter 287, Laws of 2005 (requiring school breakfast programs in certain schools).

(4) \$1,588,000 of the general fund—federal appropriation of American recovery and reinvestment act of 2009 (ARRA) funds is provided solely for equipment assistance to school food authorities (SFAs) participating in the national school lunch program (NSLP). Local SFAs may apply to the office of the superintendent of public instruction to receive grants in accordance with provisions of the ARRA. As stipulated in the ARRA, priority will be given to SFAs for equipment for schools in which at least 50 percent of the students are eligible for free or reduced-priced meals.

NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2010)	\$640,959,000
General Fund—State Appropriation (FY 2011)	\$652,388,000
General Fund—Federal Appropriation	\$656,052,000
Education Legacy Trust Account—State Appropriation	\$756,000
TOTAL APPROPRIATION	\$1,950,155,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: (a) The first category includes (i) children birth through age two who are eligible for the optional program for special education eligible developmentally delayed infants and toddlers, and (ii) students eligible for the mandatory special education program and who are age three or four, or five and not yet enrolled in kindergarten; and (b) the second category includes students who are eligible for the mandatory special education program and who are age five and enrolled in kindergarten and students age six through 21.

(5)(a) For the 2009-10 and 2010-11 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten, as defined in subsection (4) of this section, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age four enrollment and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, \$73,668,000 of the general fund—state appropriation and \$29,574,000 of the general fund—federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (8) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education-eligible students. Awards associated with (b) and (c) of this subsection shall not exceed the total of a district's specific determination of need.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services. The safety net awards to school districts shall be adjusted to reflect amounts awarded under (b) of this subsection.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(f) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999. The state safety net oversight committee shall ensure that safety net documentation and awards are based on current medicaid revenue amounts.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff from the office of superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) The office of the superintendent of public instruction shall review and streamline the application process to access safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvement to the process.

(12) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(13) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(14) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(15) \$262,000 of the general fund—state appropriation for fiscal year 2010 and \$251,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(16) \$221,357,000 of the general fund—federal appropriation of American recovery and reinvestment act of 2009 funds is provided solely for the individuals with disabilities education act (IDEA), Part B, for distribution to school districts. The funds' use is to be consistent with the current IDEA, Part B statutory and regulatory requirements.

(17) \$50,000 of the general fund—state appropriation for fiscal year 2010, \$50,000 of the general fund—state appropriation for fiscal 2011, and \$100,000 of the general fund—federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2010)	\$8,394,000
General Fund—State Appropriation (FY 2011)	\$8,395,000
TOTAL APPROPRIATION	\$16,789,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) \$3,355,000 of the general fund—state appropriation for fiscal year 2010 and \$3,355,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for regional professional development related to mathematics and science curriculum and instructional strategies. Funding shall be distributed

among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support. The office of superintendent of public instruction shall also allocate to each educational service district additional amounts provided in section 504 of this act for compensation increases associated with the salary amounts and staffing provided in this subsection (2).

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.310.340, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2010)	\$42,921,000
General Fund—State Appropriation (FY 2011)	\$209,997,000
General Fund—Federal Appropriation	\$176,284,000
TOTAL APPROPRIATION	\$429,202,000

The appropriations in this section are subject to the following conditions and limitations: \$176,284,000 of the general fund—federal appropriation for fiscal year 2010 is provided solely for American recovery and reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore state reductions for local effort assistance payments.

NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2010)	\$18,943,000
General Fund—State Appropriation (FY 2011)	\$17,992,000
TOTAL APPROPRIATION	\$36,935,000

The appropriations in this section are subject to the following conditions and limitations:

- (1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.
- (2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.
- (3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$329,000 of the general fund—state appropriation for fiscal year 2010 and \$329,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2010)	\$9,430,000
General Fund—State Appropriation (FY 2011)	\$9,437,000
TOTAL APPROPRIATION	\$18,867,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$401.08 per funded student for the 2009-10 school year and \$401.08 per funded student for the 2010-11 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) \$90,000 of the fiscal year 2010 appropriation and \$90,000 of the fiscal year 2011 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

(4) \$170,000 of the fiscal year 2010 appropriation and \$170,000 of the fiscal year 2011 appropriation are provided for the centrum program at Fort Worden state park.

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND THE NO CHILD LEFT BEHIND ACT

General Fund—Federal Appropriation	\$43,450,000
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NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2010)	\$95,181,000
General Fund—State Appropriation (FY 2011)	\$102,512,000

General Fund—Federal Appropriation	\$152,626,000
Education Legacy Trust Account—State	
Appropriation	\$95,112,000
TOTAL APPROPRIATION	\$445,431,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$36,806,000 of the general fund—state appropriation for fiscal year 2010, \$34,516,000 of the general fund—state appropriation for fiscal year 2011, \$1,350,000 of the education legacy trust account—state appropriation, and \$15,868,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL; and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year.

(2) \$3,249,000 of the general fund—state appropriation for fiscal year 2010 and \$3,249,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the design of the state assessment system and the implementation of end of course assessments for high school math.

(3) \$1,014,000 of the education legacy trust account appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of two additional professional development days for fourth and fifth grade teachers during the 2008-2009 school year. The allocations shall be made based on the calculations of certificated instructional staff units for fourth and fifth grade provided in section 502 of this act and on the calculations of compensation provided in sections 503 and 504 of this act. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.

(4) \$3,241,000 of the education legacy trust fund appropriation is provided solely for allocations to districts for salaries and benefits for the equivalent of three additional professional development days for middle and high school math and science teachers during the 2008-2009 school year, as well as specialized training for one math and science teacher in each middle school and high school during the 2008-2009 school year. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.

(5) \$3,850,000 of the education legacy trust account—state appropriation is provided solely for a math and science instructional coaches program pursuant to chapter 396, Laws of 2007. Funding shall be used to provide grants to schools and districts to provide salaries, benefits, and professional development activities for up to twenty-five instructional coaches in middle and high school math and twenty-five instructional coaches in middle and high school science in

each year of the biennium; and up to \$300,000 may be used by the office of the superintendent of public instruction to administer and coordinate the program.

(6) \$1,781,000 of the general fund—state appropriation for fiscal year 2010 and \$1,943,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to allow approved middle and junior high school career and technical education programs to receive enhanced vocational funding. The office of the superintendent of public instruction shall provide allocations to districts for middle and junior high school students in accordance with the funding formulas provided in section 502 of this act. If Second Substitute Senate Bill No. 5676 is enacted the allocations are formula-driven, otherwise the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall adjust funding to stay within the amounts provided in this subsection.

(7) \$139,000 of the general fund—state appropriation for fiscal year 2010 and \$139,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year professional development training for implementing integrated math, science, technology, and engineering program in their schools.

(8) \$1,579,000 of the general fund—state appropriation for fiscal year 2010 and \$1,579,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events. Funding shall be distributed to the various LASER activities in a manner proportional to LASER program spending during the 2007-2009 biennium.

(9) \$81,010,000 of the education legacy trust account—state appropriation is provided solely for grants for voluntary full-day kindergarten at the highest poverty schools, as provided in chapter 400, Laws of 2007. The office of the superintendent of public instruction shall provide allocations to districts for recipient schools in accordance with the funding formulas provided in section 502 of this act. Each kindergarten student who enrolls for the voluntary full-day program in a recipient school shall count as one-half of one full-time equivalent student for the purpose of making allocations under this subsection. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall limit the number of recipient schools so as to stay within the amounts appropriated each fiscal year in this subsection. The funding provided in this subsection is estimated to provide full-day kindergarten programs for 20 percent of kindergarten enrollment. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced priced lunch eligibility rates in each school. Additionally, as a condition of funding, school districts must agree to provide the full-day program to the children of parents who request it in each eligible school. For the purposes of calculating a school district levy base, funding provided in this subsection shall be considered a state block grant program under RCW 84.52.0531.

(a) Of the amounts provided in this subsection, a maximum of \$272,000 may be used for administrative support of the full-day kindergarten program within the office of the superintendent of public instruction.

(b) Student enrollment pursuant to this program shall not be included in the determination of a school district's overall K-12 FTE for the allocation of student achievement programs and other funding formulas unless specifically stated.

(10) \$700,000 of the general fund—state appropriation for fiscal year 2010 and \$900,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners, with varying roles, shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(11) \$105,754,000 of the general fund—federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(12) \$3,046,000 of the general fund—state appropriation for fiscal year 2010 and \$3,046,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit and the community. Funding in this subsection may be used for focused assistance programs for individual schools as well as school districts.

(13) \$30,702,000 of the general fund—federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(14) \$1,667,000 of the general fund—state appropriation for fiscal year 2010 and \$1,667,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to eliminate the lunch co-pay for students in grades kindergarten through third grade that are eligible for reduced price lunch.

(15) \$5,285,000 of the general fund—state appropriation for fiscal year 2010 and \$5,285,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for: (a) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-pay for students eligible for reduced price lunch; and (c) for additional assistance for school districts initiating a summer food service program.

(16) \$1,056,000 of the general fund—state appropriation for fiscal year 2010 and \$1,056,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading

programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2009 through August 31, 2011.

(17) \$3,594,000 of the general fund—state appropriation for fiscal year 2010 and \$3,594,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(18) \$1,959,000 of the general fund—state appropriation for fiscal year 2010 and \$1,959,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW.

(19) \$225,000 of the general fund—state appropriation for fiscal year 2010 and \$225,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the operation of the center for the improvement of student learning pursuant to RCW 28A.300.130.

(20) \$250,000 of the education legacy trust account—state appropriation is provided solely for costs associated with the office of the superintendent of public instruction's statewide director of technology position.

(21)(a) \$28,270,000 of the general fund—state appropriation for fiscal year 2010 and \$36,513,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of \$5,000 per teacher beginning in the 2007-08 school year and adjusted for inflation in each school year thereafter in which Initiative 732 cost of living adjustments are provided. National board certified teachers who become public school principals shall continue to receive this bonus for as long as they are principals and maintain the national board certification;

(ii) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch;

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a prorated manner; and

(iv) During the 2009-10 and 2010-11 school years, and within the available appropriation, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The assessment fee for national certification is provided in addition to compensation received under a district's salary schedule adopted in accordance with RCW 28A.405.200 and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the assessment fee, not including the initial up-front candidacy payment, as set by the national board for professional teaching standards and administered by the office of the superintendent of public instruction. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees.

(b) Included in the amounts provided in this subsection are amounts for mandatory fringe benefits.

(22) \$2,750,000 of the general fund—state appropriation for fiscal year 2010 and \$2,750,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. This funding may additionally be used to support FIRST Robotics programs.

(23) \$300,000 of the general fund—state appropriation for fiscal year 2010 and \$300,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the local farms-healthy kids program as described in chapter 215, Laws of 2008.

(24) \$2,348,000 of the general fund—state appropriation for fiscal year 2010 and \$2,348,000 of the general fund—state appropriation for fiscal year 2011 are appropriated for a beginning educator support program. School districts and/or regional consortia may apply for grant funding beginning in the 2009-10 school year. The superintendent shall implement this program in 5 to 15 school districts and/or regional consortia. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together, and teacher observation time with accomplished peers. \$250,000 may be used to provide state-wide professional development opportunities for mentors and beginning educators. The superintendent of public instruction shall adopt rules to establish and operate a research-based beginning educator support program no later than August 31, 2009. OSPI must evaluate the program's progress and may contract for this work. A report to the legislature about the beginning educator support program is due November 1, 2010.

(25) \$4,400,000 of the education legacy trust account—state appropriation is provided solely for the development and implementation of diagnostic assessments, consistent with the recommendations of the Washington assessment of student learning work group.

(26) \$70,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5414 (statewide assessments and curricula).

(27) \$530,000 of the general fund—state appropriation for fiscal year 2010 and \$530,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2010)	\$77,994,000
General Fund—State Appropriation (FY 2011)	\$80,937,000
General Fund—Federal Appropriation	\$45,263,000
TOTAL APPROPRIATION	\$204,194,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$901.46 per eligible bilingual student in the 2009-10 school year and \$901.46 in the 2010-11 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to 1.5 percent of the school year allocations to school districts in subsection (2) of this section, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2).

(4) \$70,000 of the amounts appropriated in this section are provided solely to track current and former transitional bilingual program students.

(5) The general fund—federal appropriation in this section is provided for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2010)	\$101,067,000
General Fund—State Appropriation (FY 2011)	\$102,237,000
General Fund—Federal Appropriation	\$543,925,000
Education Legacy Trust Account—State Appropriation	\$47,980,000
TOTAL APPROPRIATION	\$795,209,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) Funding for school district learning assistance programs shall be allocated at maximum rates of \$281.71 per funded student for the 2009-10 school year and \$282.63 per funded student for the 2010-11 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) The district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

(d) In addition to the amounts allocated in (b) and (c) of this subsection, an additional amount shall be allocated to school districts with high concentrations of poverty and English language learner students, subject to the following rules and conditions:

(i) To qualify for additional funding under this subsection, a district's October headcount enrollment in grades kindergarten through grade twelve must have at least twenty percent enrolled in the transitional bilingual instruction program based on an average of the program headcount taken in October and May of the prior school year; and must also have at least forty percent eligible for free or reduced price lunch based on October headcount enrollment in grades kindergarten through twelve in the prior school year.

(ii) Districts meeting the specifications in (d)(i) of this subsection shall receive additional funded students for the learning assistance program at the rates specified in subsection (1)(b) of this section. The number of additional funded student units shall be calculated by subtracting twenty percent from the district's percent transitional bilingual instruction program enrollment as defined in (d)(i) of this subsection, and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.

(2) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(3) A school district may carry over from one year to the next up to 10 percent of the general fund—state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(4) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

(5) Within amounts appropriated in this section, funding is provided for the implementation of extended learning programs required in chapter 328, Laws of 2008.

(6) \$51,970,000 of the general fund—federal appropriation for fiscal year 2010 and \$77,955,000 of the general fund—federal appropriation for fiscal year 2011 of American recovery and reinvestment act of 2009 (ARRA) Title I, Part A funds are in addition to regular Title I, Part A allocations solely for allocation to eligible school districts in accordance with the guidelines of ARRA.

(7) \$48,981,000 of the general fund—federal appropriation from the American recovery and reinvestment act of 2009 (ARRA) is for school improvement. This consists of 4 percent, or \$5,413,000 of the Title I, Part A recovery funds which must be set aside for school improvement as well as \$43,568,000 in additional school improvement funds.

NEW SECTION. Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR STUDENT ACHIEVEMENT PROGRAM

General Fund—State Appropriation (FY 2011)	\$104,101,000
General Fund—Federal Appropriation	\$200,295,000
TOTAL APPROPRIATION	\$304,396,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of \$131.16 per FTE student for the 2009-10 school year and \$99.32 per FTE student for the 2010-11 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) The superintendent of public instruction shall distribute the school year allocation according to the monthly apportionment schedule defined in RCW 28A.510.250.

(4) \$200,295,000 of the general fund—federal appropriation for fiscal year 2010 is provided solely for American recovery and reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore state reductions for the student achievement program.

NEW SECTION. Sec. 517. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS. State general fund and state student achievement fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION. Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

PART VI HIGHER EDUCATION

NEW SECTION. Sec. 601. The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to

replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4) The colleges of education for institutions with appropriations in sections 606 through 611 shall develop a plan, by October 30, 2009, to increase the number of math and science teacher endorsements and certificates granted by the institution. The plan shall address the college's math and science teacher endorsement and certification completion goal for each of the next six years, beginning with the 2010-2011 academic year, and shall be reported to the governor, the relevant policy committees of the legislature, the higher education coordinating board (HECB) and the professional educator standards board (PESB). Plan components may address: Student advising practices, increased outreach and recruitment efforts to under-represented populations, linkages with university mathematics and science departments, and implementation of redesigned, innovative endorsement and certification programs. To accomplish this work, enrollments may need to be shifted from low-need endorsement and certificate areas to math and science. A report shall be made each October 30th to the HECB and PESB regarding the degree to which plan goals have been met and activities undertaken to support those outcomes.

(5) In accordance with RCW 28B.10.920 through 28B.10.922, the state performance agreement committee and each public four-year institution of higher education shall develop performance agreements for the period September 1, 2009, through June 30, 2015. The agreements shall reflect the level of state, tuition, and other resources appropriated or authorized for each institution in this act and in the omnibus 2009-11 omnibus capital budget act, as well as reasonably anticipated changes in such resources for the two subsequent biennia as required to accomplish the higher education master plan as adopted by the legislature. The agreements shall build upon each institution's actual performance relative to the 2011 targets previously negotiated between the institution, the higher education coordinating board, and the office of financial management, and shall include measurable performance targets, benchmarks, and goals in areas including but not limited to:

- (a) Student enrollment levels, by campus;
- (b) Baccalaureate and advanced degree production;
- (c) Baccalaureate and advanced degree production in high employer-demand fields;
- (d) Undergraduate retention and graduation rates;
- (e) Time-to-degree for students entering as freshmen, and as upper-division transfers;
- (f) Efficiency to degree; and
- (g) Capital investment as required to (i) maintain existing capacity, and (ii) meet enrollment targets in accordance with the master plan as adopted by the legislature.

Each institution shall report progress toward its performance targets during the preceding academic year to the state performance agreement committee prior to November 1, 2010. The higher education coordinating board shall consolidate and summarize the institutional reports, and provide them to the relevant policy and fiscal committees of the legislature by December 1, 2010.

(6) To facilitate transparency and compliance with the American recovery and reinvestment act, the institutions of higher education receiving state and

federal appropriations under sections 605 through 611 of this act shall allot anticipated state, federal, and tuition expenditures by budget program and fiscal year. The office of financial management shall notify the legislative ways and means committees of the proposed allotments at least ten days prior to their approval.

(7) To the extent permitted by the applicable personnel system rules, and to the extent collectively bargained with represented employees, institutions of higher education are encouraged to achieve the reductions in full-time-equivalent employment and payroll levels necessary to operate within this budget through strategies that will minimize impacts on employees, their families, their communities, and short- and longer-term accomplishment of institutional mission. Institutions are encouraged to utilize strategies such as reduced work-hours per day or week, voluntary leave without pay, and temporary furloughs that enable employees to maintain permanent employment status. Institutions are further encouraged to implement such strategies in ways that will enable employees to maintain full insurance benefits, full retirement service credit, and a living wage.

(8)(a) For institutions receiving appropriations in section 605 of this act the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, to the extent permitted by Engrossed Substitute Senate Bill No. 5460, and House Bill No. 2328.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) For each institution of higher education receiving appropriations under sections 606 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention, to the extent permitted by Engrossed Substitute Senate Bill No. 5460 and House Bill No. 2328; and

(ii) Institutions may provide salary increases from other sources to instructional and research faculty, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015, to the extent permitted by Engrossed Substitute Senate Bill No. 5460 and House Bill No. 2328. Any salary increase granted under the authority of this subsection (8)(c)(ii) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that state general fund support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (8)(c)(ii).

NEW SECTION. Sec. 602. (1) Within the funds appropriated in this act, each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2009-10 Annual Average	2010-11 Annual Average
University of Washington	36,546	37,162
Washington State University	22,250	22,250
Central Washington University	8,477	8,734
Eastern Washington University	8,469	8,808
The Evergreen State College	4,213	4,213
Western Washington University	11,373	11,762
State Board for Community & Technical Colleges		
Adult Students	139,237	139,237
Running Start Students	11,558	11,558

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

(3) By September 1, 2009, each institution shall report to the higher education committees and the relevant fiscal committees of the legislature on its plans for achieving the objectives in this section.

(4) For purposes of monitoring and reporting statewide enrollment, the University of Washington and Washington State University shall notify the office of financial management of the number of full-time student equivalent enrollments budgeted for each of their campuses.

NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS. In order to operate within the state funds appropriated in this act, the governing boards of the state research universities, the state regional universities, and The Evergreen State College are authorized to adopt and adjust tuition and fees for the 2009-10 and 2010-11 academic years as provided in this section:

(1) Each governing board may increase the tuition fees, as defined in RCW 28B.15.020, charged to resident undergraduate students by no more than fourteen percent over the amounts charged to resident undergraduate students for the prior academic year.

(2) Each governing board is authorized to increase tuition charges to graduate and professional students, and to nonresident undergraduate students, by amounts judged reasonable and necessary by the governing board.

(3) Each governing board is authorized to increase summer quarter or semester tuition fees for resident and nonresident undergraduate, graduate, and professional students pursuant to RCW 28B.15.067.

(4) Each governing board is authorized to adopt or increase charges for fee-based, self-sustaining degree programs, credit courses, noncredit workshops and courses, and special contract courses by amounts judged reasonable and necessary by the governing board.

(5) Each governing board is authorized to adopt or increase services and activities fees for all categories of students as provided in RCW 28B.15.069.

(6) Each governing board is authorized to adopt or increase technology fees as provided in RCW 28B.15.069.

(7) Each governing board is authorized to adopt or increase special course and lab fees, and health and counseling fees, to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(8) Each governing board is authorized to adopt or increase administrative fees such as but not limited to those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the governing board.

(9) In addition to the 3.5 percent of tuition and services and activities fees used for institutional financial aid as required by RCW 28B.15.820, each governing board shall assure that at least one-seventh of the additional tuition revenue that would otherwise be collected as a result of resident undergraduate tuition increases in excess of seven percent per year is used to provide additional financial aid to resident undergraduate students. Each institution shall report to the relevant policy and fiscal committees of the legislature by December 1, 2009, and again by December 1, 2010, demonstrating how it has modified financial aid policies and practices during the current academic year to accomplish this purpose.

NEW SECTION. Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES. In order to operate within the state funds appropriated in this act, the state board for community and technical colleges and the trustees of the state's community and technical colleges are authorized to adopt and adjust tuition and fees for the 2009-10 and 2010-11 academic years as provided in this section:

(1) The state board may increase the tuition fees charged to resident undergraduate students by no more than seven percent over the amounts charged to resident undergraduates during the prior academic year. The board may increase tuition fees under this subsection differentially based on student credit hour load, provided that the overall increase in average tuition revenue per student does not exceed seven percent each year.

(2) The state board may increase the tuition fees charged to resident undergraduates enrolled in upper division applied baccalaureate programs by no more than fourteen percent over the amounts charged during the prior academic year.

(3) The state board may increase the tuition fees charged to nonresident students by amounts judged reasonable and necessary by the board.

(4) The trustees of the technical colleges are authorized to either (a) increase operating fees by no more than the percentage increases authorized for

community colleges by the state board; or (b) fully adopt the tuition fee charge schedule adopted by the state board for community colleges.

(5) For the 2009-10 academic year, the trustees of the technical colleges are authorized to increase building fees by four cents per clock hour and by sixty-two cents per credit hour. For the 2010-11 academic year, the trustees are authorized to increase building fees by four cents per clock hour and by sixty-nine cents per credit hour. The purpose of these increases is to progress toward parity with the building fees charged students attending the community colleges.

(6) The state board is authorized to increase the maximum allowable services and activities fee as provided in RCW 28B.15.069. The trustees of the community and technical colleges are authorized to increase services and activities fees up to the maximum level authorized by the state board.

(7) The trustees of the community and technical colleges are authorized to adopt or increase charges for fee-based, self-sustaining programs such as summer session, international student contracts, and special contract courses by amounts judged reasonable and necessary by the trustees.

(8) The trustees of the community and technical colleges are authorized to adopt or increase special course and lab fees to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(9) The trustees of the community and technical colleges are authorized to adopt or increase administrative fees such as but not limited to those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the trustees.

NEW SECTION. Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2010)	\$620,071,000
General Fund—State Appropriation (FY 2011)	\$642,509,000
General Fund—Federal Appropriation	\$17,171,000
Education Legacy Trust Account—State Appropriation	\$95,125,000
TOTAL APPROPRIATION	\$1,374,876,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$28,761,000 of the general fund—state appropriation for fiscal year 2010 and \$28,761,000 of the general fund—state appropriation for fiscal year 2011 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 6,200 full-time equivalent students in fiscal year 2010 and at least 6,200 full-time equivalent students in fiscal year 2011.

(2) \$2,725,000 of the general fund—state appropriation for fiscal year 2010 and \$2,725,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) Of the amounts appropriated in this section, \$3,500,000 is provided solely for the student achievement initiative.

(4) When implementing the appropriations in this section, the state board and the trustees of the individual community and technical colleges shall minimize impact on academic programs, maximize reductions in administration, and shall at least maintain, and endeavor to increase, enrollment opportunities and degree and certificate production in high employer-demand fields of study at their academic year 2008-09 levels.

(5) Within the board's 2009-11 biennial budget allocation to Bellevue College, and pursuant to RCW 28B.50.810, the college may implement, on a tuition and fee basis, an additional applied baccalaureate degree in interior design. This program is intended to provide students with additional opportunities to earn baccalaureate degrees and to respond to emerging job and economic growth opportunities. The program reviews and approval decisions required by RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that the degree may be offered during the 2009-10 academic year.

(6) In accordance with the recommendations of the higher education coordinating board's 2008 *Kitsap region higher education center study*, the state board shall facilitate development of university centers by allocating thirty 2-year and 4-year partnership full-time enrollment equivalencies to Olympic College and ten 2-year and 4-year partnership full-time enrollment equivalencies to Peninsula College. The colleges shall use the allocations to establish a partnership with a baccalaureate university or universities for delivery of upper division degree programs in the Kitsap region. The Olympic and Peninsula Community College districts shall additionally work together to ensure coordinated development of these and other future baccalaureate opportunities through coordinated needs assessment, planning, and scheduling.

(7) By September 1, 2009, the state board for community and technical colleges, the higher education coordinating board, and the office of financial management shall review and to the extent necessary revise current 2009-11 performance measures and targets based on the level of state, tuition, and other resources appropriated or authorized in this act and in the omnibus 2009-11 omnibus capital budget act. The boards and the office of financial management shall additionally develop new performance targets for the 2011-13 and the 2013-15 biennia that will guide and measure the community and technical college system's contributions to achievement of the state's higher education master plan goals.

(8) \$2,250,000 of the general fund—state appropriation for fiscal year 2010 and \$2,250,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the hospital employee education and training program under which labor, management, and college partnerships develop or expand and evaluate training programs for incumbent hospital workers that lead to careers in nursing and other high-demand health care occupations. The board shall report student progress, outcomes, and costs to the relevant fiscal and policy committees of the legislature by November 2009 and November 2010.

(9) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(10) \$1,112,000 of the general fund—state appropriation for fiscal year 2010 and \$1,113,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the state board to enhance online distance learning and open courseware technology. Funds shall be used to support open courseware, open textbooks, open licenses to increase access, affordability and quality of courses in higher education. The state board for community and technical colleges shall select the most appropriate courses to support open courseware based solely upon criteria of maximizing the value of instruction and reducing costs of textbooks and other instructional materials for the greatest number of students in higher education, regardless of the type of institution those students attend.

NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2010)	\$269,552,000
General Fund—State Appropriation (FY 2011)	\$297,130,000
General Fund—Federal Appropriation	\$24,730,000
Education Legacy Trust Account—State Appropriation	\$54,408,000
Accident Account—State Appropriation	\$6,712,000
Medical Aid Account—State Appropriation	\$6,524,000
Biotoxin Account—State Appropriation	\$450,000
TOTAL APPROPRIATION	\$659,506,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) \$75,000 of the general fund—state appropriation for fiscal year 2010 and \$75,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the forestry research by the Olympic natural resources center.

(4) \$150,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the William D. Ruckelshaus center for facilitation, support, and analysis to support the nurse staffing steering committee in its work to apply best practices related to patient safety and nurse staffing.

(5) \$54,000 of the general fund—state appropriation for fiscal year 2010 and \$54,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the University of Washington geriatric education center to provide a voluntary adult family home certification program. In addition to the minimum qualifications required under RCW 70.128.120, individuals participating in the voluntary adult family home certification program shall complete fifty-two hours of class requirements as established by the University

of Washington geriatric education center. Individuals completing the requirements of RCW 70.128.120 and the voluntary adult family home certification program shall be issued a certified adult family home license by the department of social and health services. The department of social and health services shall adopt rules implementing the provisions of this subsection.

(6) \$50,000 of the general fund—state appropriation for fiscal year 2010 and \$52,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the center for international trade in forest products in the college of forest resources.

NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2010)	\$178,578,000
General Fund—State Appropriation (FY 2011)	\$196,163,000
General Fund—Federal Appropriation	\$15,772,000
Education Legacy Trust Account—State Appropriation	\$34,696,000
TOTAL APPROPRIATION	\$425,209,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) When implementing reductions for fiscal year 2010 and fiscal year 2011, Washington State University shall minimize reductions to extension services and agriculture extension services. Agriculture extension includes:

(a) Faculty with extension appointments working within the following departments in the college of agricultural, human, and natural resource sciences with extension appointments: Animal sciences, crop and soil sciences, entomology, horticulture, and plant pathology;

(b) The portion of county extension educators' appointments assigned to the "agricultural programs" area;

(c) Staff with extension appointments and extension operating allocations located at the irrigated agriculture research and extension center (Prosser), northwest Washington research and extension center (Mt. Vernon), and tree fruit research and extension center (Wenatchee); and

(d) Extension contributions to the center for precision agricultural systems, center for sustaining agriculture and natural resources, and the agriculture weather network.

(4) \$75,000 of the general fund—state appropriation for fiscal year 2010 and \$75,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for research related to honeybee colony collapse disease.

NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2010)	\$34,685,000
General Fund—State Appropriation (FY 2011)	\$40,796,000
General Fund—Federal Appropriation	\$5,522,000
Education Legacy Trust Account—State Appropriation	\$16,087,000
TOTAL APPROPRIATION	\$97,090,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) At least \$200,000 of the general fund—state appropriation for fiscal year 2010 and at least \$200,000 of the general fund—state appropriation for fiscal year 2011 shall be expended on the northwest autism center.

NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2010)	\$30,284,000
General Fund—State Appropriation (FY 2011)	\$37,580,000
General Fund—Federal Appropriation	\$6,975,000
Education Legacy Trust Account—State Appropriation	\$19,076,000
TOTAL APPROPRIATION	\$93,915,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

NEW SECTION. Sec. 610. FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2010)	\$20,512,000
General Fund—State Appropriation (FY 2011)	\$22,865,000

General Fund—Federal Appropriation	\$2,366,000
Education Legacy Trust Account—State Appropriation	\$5,450,000
TOTAL APPROPRIATION	\$51,193,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the college shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) At least \$100,000 of the general fund—state appropriation for fiscal year 2010 and at least \$100,000 of the general fund—state appropriation for fiscal year 2011 shall be expended on the labor education and research center.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the Washington state institute for public policy to report to the legislature regarding efficient and effective programs and policies. The report shall calculate the return on investment to taxpayers from evidence-based prevention and intervention programs and policies that influence crime, K-12 education outcomes, child maltreatment, substance abuse, mental health, public health, public assistance, employment, and housing. The institute for public policy shall provide the legislature with a comprehensive list of programs and policies that improve these outcomes for children and adults in Washington and result in more cost-efficient use of public resources. The institute shall submit interim reports by December 15, 2009, and October 1, 2010, and a final report by June 30, 2011. The institute may receive additional funds from a private organization for the purpose of conducting this study.

(5) To the extent federal or private funding is available for this purpose, the Washington state institute for public policy and the center for reinventing public education at the University of Washington shall examine the relationship between participation in pension systems and teacher quality and mobility patterns in the state. The department of retirement systems shall facilitate researchers' access to necessary individual-level data necessary to effectively conduct the study. The researchers shall ensure that no individually identifiable information will be disclosed at any time. An interim report on project findings shall be completed by November 15, 2010, and a final report shall be submitted to the governor and to the relevant committees of the legislature by October 15, 2011.

(6) At least \$200,000 of the general fund—state appropriation for fiscal year 2010 and at least \$200,000 of the general fund—state appropriation for fiscal year 2011 shall be expended on the Washington center for undergraduate education.

(7) \$15,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the Washington state institute for public policy to examine the need for and methods to increase the availability of nonfood items, such as personal hygiene supplies, soaps, paper products, and other items, to needy persons in the state. The study shall examine existing private and public programs that provide such products, and develop recommendations for the most cost-effective incentives for private and public agencies to increase local distribution outlets and local and regional networks of supplies. A final report shall be delivered to the legislature and the governor by December 1, 2009.

(8) \$17,000 of the general fund—state appropriation for fiscal year 2010 and \$42,000 of the general fund—state appropriation for fiscal year 2011 are provided to the Washington state institute for public policy to implement Second Substitute House Bill No. 2106 (child welfare outcomes). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(9) \$54,000 of the general fund—state appropriation for fiscal year 2010 and \$23,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement Substitute Senate Bill No. 5882 (racial disproportionality). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(10) \$75,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the Washington state institute of public policy to evaluate the adequacy of and access to financial aid and independent living programs for youth in foster care. The examination shall include opportunities to improve efficiencies within these programs. The institute shall report its findings by December 1, 2009.

(11) \$75,000 of the general fund—state appropriation for fiscal year 2010 is provided solely for the Washington state institute for public policy to conduct an assessment of the general assistance unemployable program and other similar programs. The assessment shall include a review of programs in other states that provide similar services and will include recommendations on promising approaches that both improve client outcomes and reduce state costs. A report is due by December 1, 2009.

(12) To the extent funds are available, the Washington state institute for public policy is encouraged to continue the longitudinal analysis of long-term mental health outcomes directed in chapter 334, Laws of 2001 (mental health performance audit), to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders); and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2010)	\$43,141,000
General Fund—State Appropriation (FY 2011)	\$52,752,000
General Fund—Federal Appropriation	\$8,885,000
Education Legacy Trust Account—State Appropriation	\$13,036,000
TOTAL APPROPRIATION	\$117,814,000

The appropriations in this section are subject to the following conditions and limitations:

(1) In implementing the appropriations in this section, the president and governing board shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

NEW SECTION. Sec. 612. FOR THE HIGHER EDUCATION COORDINATING BOARD—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2010)	\$6,611,000
General Fund—State Appropriation (FY 2011)	\$6,203,000
General Fund—Federal Appropriation	\$4,352,000
TOTAL APPROPRIATION	\$17,166,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Within the funds appropriated in this section, the higher education coordinating board shall complete a system design planning project that defines how the current higher education delivery system can be shaped and expanded over the next ten years to best meet the needs of Washington citizens and businesses for high quality and accessible post-secondary education. The board shall propose policies and specific, fiscally feasible implementation recommendations to accomplish the goals established in the *2008 strategic master plan for higher education*. The project shall specifically address the roles, missions, and instructional delivery systems both of the existing and of proposed new components of the higher education system; the extent to which specific academic programs should be expanded, consolidated, or discontinued and how that would be accomplished; the utilization of innovative instructional delivery systems and pedagogies to reach both traditional and nontraditional students; and opportunities to consolidate institutional administrative functions. The study recommendations shall also address the proposed location, role, mission, academic program, and governance of any recommended new campus, institution, or university center. During the planning process, the board shall inform and actively involve the chairs from the senate and house of representatives committees on higher education, or their designees. The board shall report the findings and recommendations of this system design planning project to the governor and the appropriate committees of the legislature by December 1, 2009.

(2) \$146,000 of the general fund—state appropriation for fiscal year 2010 and \$65,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the higher education coordinating board to administer Engrossed Second Substitute House Bill No. 2021 (revitalizing student financial

aid). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(3) \$227,000 of the general fund—state appropriation for fiscal year 2010 and \$11,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to implement Engrossed Second Substitute House Bill No. 1946 (regarding higher education online technology). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(4) \$400,000 of the general fund—state appropriation for fiscal year 2010 and \$400,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the higher education coordinating board to contract with the Pacific Northwest university of health sciences to conduct training and education of health care professionals to promote osteopathic physician services in rural and underserved areas of the state.

NEW SECTION. Sec. 613. FOR THE HIGHER EDUCATION COORDINATING BOARD—FINANCIAL AID AND GRANT PROGRAMS

General Fund—State Appropriation (FY 2010)	\$204,332,000
General Fund—State Appropriation (FY 2011)	\$229,711,000
General Fund—Federal Appropriation	\$13,124,000
Education Legacy Trust Account—State Appropriation	\$88,062,000
TOTAL APPROPRIATION	\$535,229,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$191,704,000 of the general fund—state appropriation for fiscal year 2010, \$232,929,000 of the general fund—state appropriation for fiscal year 2011, \$80,190,000 of the education legacy trust account appropriation, and \$2,446,000 of the general fund—federal appropriation are provided solely for student financial aid payments under the state need grant; the state work study program including up to a four percent administrative allowance; the Washington scholars program; and the Washington award for vocational excellence. State need grant, Washington award for vocational excellence, and state work study awards shall be adjusted to offset the cost of the resident undergraduate tuition increases authorized under this act. The Washington scholars program shall provide awards sufficient to offset ninety percent of the total tuition and fee award.

(2)(a) Within the funds appropriated in this section, eligibility for the state need grant shall include students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(b) Grant awards for students at private four-year colleges shall be set at the same level as the student would receive if attending one of the public research universities.

(3) \$1,000,000 of the education legacy trust account—state appropriation is provided solely to encourage more students to teach secondary mathematics and science. \$500,000 of this amount is for the future teacher scholarship and conditional loan program. \$500,000 of this amount is provided to support state work study positions for students to intern in secondary schools and classrooms.

(4) \$3,872,000 of the education legacy trust account—state appropriation is provided solely for the passport to college scholarship program pursuant to chapter 28B.117 RCW. The higher education coordinating board shall contract with a college scholarship organization with expertise in managing scholarships for low-income, high-potential students and foster care children and young adults to administer the program. Of the amount in this subsection, \$39,000 is provided solely for the higher education coordinating board for administration of the contract and the remaining shall be contracted out to the organization for the following purposes:

(a) \$384,000 is provided solely for program administration, and

(b) \$3,449,000 is provided solely for student financial aid for up to 151 students and to fund student support services. Funds are provided for student scholarships, provider training, and for incentive payments to the colleges they attend for individualized student support services which may include, but are not limited to, college and career advising, counseling, tutoring, costs incurred for students while school is not in session, personal expenses, health insurance, and emergency services.

(5) \$1,250,000 of the general fund—state appropriation for fiscal year 2010 and \$1,250,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the health professional scholarship and loan program. The funds provided in this subsection shall be: (a) Prioritized for health care deliver sites demonstrating a commitment to serving the uninsured; and (b) allocated between loan repayments and scholarships proportional to current program allocations.

(6) For fiscal year 2010 and fiscal year 2011, the board shall defer loan or conditional scholarship repayments to the future teachers conditional scholarship and loan repayment program for up to one year for each participant if the participant has shown evidence of efforts to find a teaching job but has been unable to secure a teaching job per the requirements of the program.

(7) \$246,000 of the general fund—state appropriation for fiscal year 2010 and \$246,000 of the general fund—state appropriation for fiscal year 2011 are for community scholarship matching grants and its administration. To be eligible for the matching grant, nonprofit groups organized under section 501(c)(3) of the federal internal revenue code must demonstrate they have raised at least \$2,000 in new moneys for college scholarships after the effective date of this section. Groups may receive no more than one \$2,000 matching grant per year and preference shall be given to groups affiliated with scholarship America. Up to a total of \$46,000 per year of the amount appropriated in this section may be awarded to a nonprofit community organization to administer scholarship matching grants, with preference given to an organization affiliated with scholarship America.

(8) \$500,000 of the general fund—state appropriation for fiscal year 2010 and \$500,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for state need grants provided to students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Total state expenditures on this program shall not exceed the amounts provided in this subsection.

(9) \$3,000,000 of the education legacy trust account—state appropriation is provided solely for the gaining early awareness and readiness for undergraduate programs project.

(10) \$75,000 of the general fund—state appropriation for fiscal year 2010 and \$75,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

***NEW SECTION. Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund—State Appropriation (FY 2010)	\$1,587,000
General Fund—State Appropriation (FY 2011)	\$1,556,000
General Fund—Federal Appropriation	\$54,262,000
TOTAL APPROPRIATION	\$57,405,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$142,000 of the general fund—federal appropriation for fiscal year 2010 and \$88,000 of the general fund—federal appropriation for fiscal year 2011 are provided solely for implementation of Second Substitute House Bill No. 1355 (opportunity internships). Of these amounts, \$82,000 for fiscal year 2010 and \$28,000 for fiscal year 2011 are to be contracted to the higher education coordinating board for administration of state need grant program coordination and for enhancement of existing administration and tracking tools to accommodate opportunity internship students eligible for state need grants. It is expected that the federal funds appropriated in this subsection shall be from among the workforce investment act statewide discretionary funds available for projects in support of disadvantaged youth. If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(2) \$60,000 of the general fund—state appropriation for fiscal year 2010 and \$60,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2227 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

*Sec. 614 was partially vetoed. See message at end of chapter.

NEW SECTION. Sec. 615. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE

General Fund—State Appropriation (FY 2010)	\$1,598,000
General Fund—State Appropriation (FY 2011)	\$1,611,000
TOTAL APPROPRIATION	\$3,209,000

***NEW SECTION. Sec. 616. FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund—State Appropriation (FY 2010)	\$60,478,000
General Fund—State Appropriation (FY 2011)	\$61,045,000
General Fund—Federal Appropriation	\$244,859,000
TOTAL APPROPRIATION	\$366,382,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$55,696,000 of the general fund—state appropriation for fiscal year 2010 and \$55,696,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for early childhood education and assistance program services. This appropriation temporarily reduces the number of slots for the 2009-11 fiscal biennium for the early childhood education and assistance program. The department shall reduce slots where providers serve both federal headstart and early childhood education and assistance program children, to the greatest extent possible, in order to achieve no reduction of slots across the state. The amounts in this subsection also reflect reductions to the administrative expenditures for the early childhood education and assistance program. The department shall reduce administrative expenditures, to the greatest extent possible, prior to reducing early childhood education and assistance program slots. Of these amounts, \$10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(2) \$1,000,000 of the general fund—federal appropriation is provided to the department to contract with Thrive by Five, Washington for a pilot project for a quality rating and improvement system to provide parents with information they need to choose quality child care and education programs and to improve the quality of early care and education programs. The department in collaboration with Thrive by Five shall operate the pilot projects in King, Yakima, Clark, Spokane, and Kitsap counties. The department shall use child care development fund quality money for this purpose.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2010, \$425,000 of the general fund—state appropriation for fiscal year 2011, and \$850,000 of the general fund—federal appropriation are provided solely for child care resource and referral network services. The general fund—federal funding represents moneys from the American recovery and reinvestment act of 2009 (child care development block grant).

(4) \$750,000 of the general fund—state appropriation for fiscal year 2010, \$750,000 of the general fund—state appropriation for fiscal year 2011, and \$1,500,000 of the general fund—federal appropriation are provided solely for the career and wage ladder program created by chapter 507, Laws of 2005. The general fund—federal funding represents moneys from the American recovery and reinvestment act of 2009 (child care development block grant).

(5) \$50,000 of the general fund—state appropriation for fiscal year 2010 and \$50,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for the department to work with stakeholders and the office of the superintendent of public instruction to identify and test a kindergarten assessment process and tools in geographically diverse school districts. School

districts may participate in testing the kindergarten assessment process on a voluntary basis. The department shall report to the legislature on the kindergarten assessment process not later than January 15, 2011. Expenditure of amounts provided in this subsection is contingent on receipt of an equal match from private sources. As matching funds are made available, the department may expend the amounts provided in this subsection.

(6) \$1,600,000 of the general fund—federal appropriation is provided solely for the department to fund programs to improve the quality of infant and toddler child care through training, technical assistance, and child care consultation.

(7) \$200,000 of the general fund—state appropriation for fiscal year 2010 and \$200,000 of the general fund—state appropriation for fiscal year 2011 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2010 and \$100,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Substitute House Bill No. 1329 (child care center collective bargaining). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(9) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to partially fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(10) The department shall use child care development fund money to satisfy the federal audit requirement of the improper payments act (IPIA) of 2002. In accordance with the IPIA's rules, the money spent on the audits will not count against the five percent state limit on administrative expenditures.

(11) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report quarterly enrollments and active caseload for the working connections child care program to the legislative fiscal committees. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care.

(12) The appropriations in this section reflect reductions in the appropriations for the department's administrative expenses. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or program.

***Sec. 616 was partially vetoed. See message at end of chapter.**

NEW SECTION. Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2010)	\$5,902,000
General Fund—State Appropriation (FY 2011)	\$5,908,000
General Fund—Private/Local Appropriation	\$1,928,000
TOTAL APPROPRIATION	\$13,738,000

The appropriations in this section are subject to the following conditions and limitations: \$271,000 of the general fund—private/local appropriation is provided solely for the school for the blind to offer short course programs, allowing students the opportunity to leave their home schools for short periods and receive intensive training. The school for the blind shall provide this service to the extent that it is funded by contracts with school districts and educational services districts.

NEW SECTION. Sec. 618. FOR THE STATE SCHOOL FOR THE DEAF

General Fund—State Appropriation (FY 2010)	\$8,592,000
General Fund—State Appropriation (FY 2011)	\$8,656,000
General Fund—Private/Local Appropriation	\$526,000
TOTAL APPROPRIATION	\$17,774,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$210,000 of the general fund—private/local appropriation is provided solely for the operation of the shared reading video outreach program. The school for the deaf shall provide this service to the extent it is funded by contracts with school districts and educational service districts.

(2) \$25,000 of the general fund—state appropriation for fiscal year 2010 and \$25,000 of the general fund—state appropriation for fiscal year 2011 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1879 (deaf and hard of hearing). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 619. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2010)	\$1,876,000
General Fund—State Appropriation (FY 2011)	\$1,883,000
General Fund—Federal Appropriation	\$1,923,000
General Fund—Private/Local Appropriation	\$1,054,000
TOTAL APPROPRIATION	\$6,736,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 620. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2010)	\$2,592,000
General Fund—State Appropriation (FY 2011)	\$2,636,000
TOTAL APPROPRIATION	\$5,228,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible,

by reducing those administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

NEW SECTION. Sec. 621. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2010)	\$1,612,000
General Fund—State Appropriation (FY 2011)	\$1,655,000
TOTAL APPROPRIATION	\$3,267,000

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest extent possible, reduce spending in those areas that shall have the least impact on implementing its mission.

**PART VII
SPECIAL APPROPRIATIONS**

NEW SECTION. Sec. 701. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2010)	\$854,991,000
General Fund—State Appropriation (FY 2011)	\$901,265,000
State Building Construction Account—State Appropriation.	\$11,707,000
Columbia River Basin Water Supply Development Account— State Appropriation	\$92,000
Hood Canal Aquatic Rehabilitation Bond Account—State Appropriation.	\$11,000
State Taxable Building Construction Account—State Appropriation.	\$1,136,000
Gardner-Evans Higher Education Construction Account— State Appropriation	\$260,000
Debt-Limit Reimbursable Bond Retirement Account—State Appropriation.	\$2,619,000
TOTAL APPROPRIATION	\$1,772,081,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund—state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account—State

Appropriation	\$14,543,000
Accident Account—State Appropriation	\$5,171,000
Medical Aid Account—State Appropriation	\$5,171,000
TOTAL APPROPRIATION	\$24,885,000

NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2010)	\$26,463,000
General Fund—State Appropriation (FY 2011)	\$27,811,000
School Construction and Skill Centers Building	
Account—State Appropriation	\$477,000
Nondebt-Limit Reimbursable Bond Retirement Account—	
State Appropriation	\$141,507,000
TOTAL APPROPRIATION	\$196,258,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund—state appropriation for fiscal year 2010 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2010.

NEW SECTION. Sec. 704. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2010)	\$1,357,000
General Fund—State Appropriation (FY 2011)	\$1,357,000
State Building Construction Account—State	
Appropriation	\$1,273,000
Columbia River Basin Water Supply Development	
Account—State Appropriation	\$6,000
Hood Canal Aquatic Rehabilitation Bond Account—	
State Appropriation	\$1,000
State Taxable Building Construction Account—State	
Appropriation	\$72,000
Gardner-Evans Higher Education Construction	
Account—State Appropriation	\$18,000
School Construction and Skill Centers Building	
Account—State Appropriation	\$30,000
TOTAL APPROPRIATION	\$4,114,000

NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY

General Fund—State Appropriation (FY 2010)	\$4,000,000
General Fund—State Appropriation (FY 2011)	\$4,000,000
TOTAL APPROPRIATION	\$8,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account.

NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT

General Fund—State Appropriation (FY 2010)	\$14,558,000
General Fund—State Appropriation (FY 2011)	\$15,087,000
TOTAL APPROPRIATION	\$29,645,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account. \$5,000,000 of the appropriation is provided for emergency fire suppression by the department of natural resources.

NEW SECTION. Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND

General Fund—State Appropriation (FY 2010)	\$850,000
General Fund—State Appropriation (FY 2011)	\$850,000
TOTAL APPROPRIATION	\$1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

NEW SECTION. Sec. 708. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT—COUNTY PUBLIC HEALTH ASSISTANCE

General Fund—State Appropriation (FY 2010)	\$24,000,000
General Fund—State Appropriation (FY 2011)	\$24,000,000
TOTAL APPROPRIATION	\$48,000,000

The appropriations in this section are subject to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

Health District	FY 2010	FY 2011	FY 2010-11 Biennium
Adams County Health District	\$30,951	\$30,951	\$61,902
Asotin County Health District	\$67,714	\$67,714	\$135,428
Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
Clallam County Health and Human Services Department	\$141,752	\$141,752	\$283,504

Southwest Washington Health District	\$1,084,473	\$1,084,473	\$2,168,946
Columbia County Health District	\$40,529	\$40,529	\$81,058
Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
Garfield County Health District	\$15,028	\$15,028	\$30,056
Grant County Health District	\$118,595	\$118,596	\$237,191
Grays Harbor Health Department	\$183,870	183,870	\$367,740
Island County Health Department	\$91,892	\$91,892	\$183,784
Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
Kittitas County Health Department	\$92,499	\$92,499	\$184,998
Klickitat County Health Department	\$62,402	\$62,402	\$124,804
Lewis County Health Department	\$105,801	\$105,801	\$211,602
Lincoln County Health Department	\$29,705	\$29,705	\$59,410
Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
Okanogan County Health District	\$63,458	\$63,458	\$126,916
Pacific County Health Department	\$77,427	\$77,427	\$154,854
Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
Skagit County Health Department	\$223,927	\$223,927	\$447,854
Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
Whitman County Health Department	\$78,733	\$78,733	\$157,466
Yakima Health District	\$623,797	\$623,797	\$1,247,594
TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

NEW SECTION. Sec. 709. BELATED CLAIMS. The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. Sec. 710. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS.

The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2009, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and firefighters' retirement system:

General Fund—State Appropriation (FY 2010)	\$51,500,000
General Fund—State Appropriation (FY 2011)	\$54,300,000
TOTAL APPROPRIATION	\$105,800,000

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2010)	\$11,570,000
General Fund—State Appropriation (FY 2011)	\$12,860,000
TOTAL APPROPRIATION	\$24,430,000

NEW SECTION. Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION TECHNOLOGY REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2010)	\$8,000,000
General Fund—State Appropriation (FY 2011)	\$8,000,000
TOTAL APPROPRIATION	\$16,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

NEW SECTION. Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT—WATER POLLUTION CONTROL REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2010)	\$4,600,000
General Fund—State Appropriation (FY 2011)	\$4,600,000
TOTAL APPROPRIATION	\$9,200,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the water pollution control revolving account.

NEW SECTION. Sec. 713. INCENTIVE SAVINGS—FY 2010. The sum of one hundred twenty-five million dollars or so much thereof as may be available on June 30, 2010, from the total amount of unspent fiscal year 2010 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed one hundred million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 714. INCENTIVE SAVINGS—FY 2011. The sum of one hundred twenty-five million dollars or so much thereof as may be available on June 30, 2011, from the total amount of unspent fiscal year 2011 state general fund appropriations, exclusive of amounts expressly placed into unallotted status by this act, is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed one hundred million dollars, is appropriated to the education savings account.

NEW SECTION. Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COUNTY SUBSTANCE ABUSE PROGRAMS

General Fund—State Appropriation (FY 2010) \$1,300,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for allocation to counties that are eligible for funding for chemical dependency or substance abuse treatment programs pursuant to RCW 70.96A.325.

NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—SMALL AGENCY TECHNOLOGY POOL

General Fund—State Appropriation (FY 2010) \$250,000
General Fund—State Appropriation (FY 2011) \$250,000
TOTAL APPROPRIATION \$500,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the data processing revolving account for the small agency technology pool.

NEW SECTION. Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CAPITOL BUILDING CONSTRUCTION ACCOUNT

General Fund—State Appropriation (FY 2010) \$2,312,000
General Fund—State Appropriation (FY 2011) \$3,615,000
TOTAL APPROPRIATION \$5,927,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the capitol building construction account.

NEW SECTION. Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—TRANSITIONAL HOUSING OPERATING AND RENT ACCOUNT

Home Security Fund—State Appropriation	\$7,000,000
Washington Housing Trust Account—State Appropriation	\$1,500,000
TOTAL APPROPRIATION	\$8,500,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the transitional housing operating and rent account.

NEW SECTION. Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT—O'BRIEN BUILDING IMPROVEMENT

General Fund—State Appropriation (FY 2010)	\$1,435,000
General Fund—State Appropriation (FY 2011)	\$1,435,000
TOTAL APPROPRIATION	\$2,870,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the general administration services account for payment of principal, interest, and financing expenses associated with the certificate of participation for the O'Brien building improvement, project number 20081007.

NEW SECTION. Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONTRIBUTIONS TO RETIREMENT SYSTEMS

General Fund—State Appropriation (FY 2010)	\$400,000
General Fund—State Appropriation (FY 2011)	\$400,000
Special Account Retirement System Contribution	
Increase Revolving Account Appropriation	\$1,000,000
TOTAL APPROPRIATION	\$1,800,000

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations in this section are provided solely to increase agency and institution appropriations and public school funding allocations to reflect increased employer contribution rates in the public employees' retirement system and the school employees' retirement system as a result of the provisions of Substitute Senate Bill No. 6157 (calculating compensation for public retirement purposes). If the bill is not enacted by June 30, 2009, the amounts provided in this section shall lapse.

(2) To facilitate the transfer of moneys to dedicated funds and accounts, the state treasurer shall transfer sufficient moneys to each dedicated fund or account from the special account retirement contribution increase revolving account in accordance with schedules provided by the office of financial management.

NEW SECTION. Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMUNITY PRESERVATION AND DEVELOPMENT AUTHORITY ACCOUNT

General Fund—State Appropriation (FY 2010)	\$350,000
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The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the community preservation and development authority account.

NEW SECTION. Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT—VETERANS INNOVATIONS PROGRAM ACCOUNT
 General Fund—State Appropriation (FY 2010) \$500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit into the veterans innovations program account.

**PART VIII
 OTHER TRANSFERS AND APPROPRIATIONS**

NEW SECTION. Sec. 801. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions	\$8,268,000
General Fund Appropriation for public utility district excise tax distributions	\$48,771,000
General Fund Appropriation for prosecuting attorney distributions	\$6,281,000
General Fund Appropriation for boating safety and education distributions	\$4,854,000
General Fund Appropriation for other tax distributions	\$50,000
General Fund Appropriation for habitat conservation program distributions	\$3,000,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	\$69,288,000
County Criminal Justice Assistance Appropriation	\$66,374,000
Municipal Criminal Justice Assistance Appropriation	\$25,622,000
City-County Assistance Account Appropriation for local government financial assistance distribution	\$28,564,000
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	\$50,950,000
Streamline Sales and Use Tax Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes	\$65,038,000
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	\$7,308,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	\$4,676,000
Liquor Revolving Account Appropriation for liquor profits distribution	\$80,435,000

Liquor Revolving Account Appropriation for additional liquor profits distribution to local governments	\$18,677,000
TOTAL APPROPRIATION	\$490,870,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driver Safety Account Appropriation	\$2,351,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2009-11 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 803. FOR THE STATE TREASURER—FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driver Safety Account Appropriation	\$1,543,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2009-11 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 804. FOR THE STATE TREASURER—FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal flood control funds distribution	\$70,000
General Fund Appropriation for federal grazing fees distribution	\$2,296,000

Forest Reserve Fund Appropriation for federal forest reserve fund distribution	\$85,200,000
TOTAL APPROPRIATION.....	\$87,566,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

***NEW SECTION. Sec. 805. FOR THE STATE TREASURER—TRANSFERS.**

State Treasurer's Service Account: For transfer to the state general fund, \$10,400,000 for fiscal year 2010 and \$10,400,000 for fiscal year 2011	\$20,800,000
Waste Reduction, Recycling and Litter Control Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2010 and \$2,000,000 for fiscal year 2011.	\$4,000,000
State Toxics Control Account: For transfer to the state general fund, \$15,340,000 for fiscal year 2010 and \$14,400,000 for fiscal year 2011	\$29,740,000
Local Toxics Control Account: For transfer to the state general fund, \$37,060,000 for fiscal year 2010 and \$36,000,000 for fiscal year 2011	\$73,060,000
Education Construction Account: For transfer to the state general fund, \$93,362,000 for fiscal year 2010 and \$100,401,000 for fiscal year 2011	\$193,763,000
Aquatics Lands Enhancement Account: For transfer to the state general fund, \$5,050,000 for fiscal year 2010 and \$5,050,000 for fiscal year 2011.....	\$10,100,000
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account	\$28,600,000
Economic Development Strategic Reserve Account: For transfer to the state general fund, \$2,500,000 for fiscal year 2010 and \$2,500,000 for fiscal year 2011	\$5,000,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed by more than \$26,000,000 the actual amount of the annual payment to the tobacco settlement account	\$204,098,000
Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed \$26,000,000 less than the actual amount of the strategic contribution supplemental payment to the tobacco settlement account	\$39,170,000
General Fund: For transfer to the streamline sales and use tax account, \$31,447,000 for fiscal year 2010 and \$33,591,000 for fiscal year 2011	\$65,038,000
State Convention and Trade Center Account: For transfer to the state convention and trade center operations account, \$1,000,000 for fiscal year 2010 and \$3,100,000 for fiscal year 2011	\$4,100,000

<i>State Convention and Trade Center Account: For transfer to the state general fund, \$11,000,000 in fiscal year 2010 and \$11,000,000 in fiscal year 2011</i>	<i>\$22,000,000</i>
Tobacco Prevention and Control Account: For transfer to the state general fund for fiscal year 2010.	\$1,961,000
Nisqually Earthquake Account: For transfer to the disaster response account for fiscal year 2010	\$500,000
Judicial Information Systems Account: For transfer to the state general fund, \$2,500,000 for fiscal year 2010 and \$2,500,000 for fiscal year 2011	\$5,000,000
Department of Retirement Systems Expense Account: For transfer to the state general fund for fiscal year 2011	\$1,500,000
State Emergency Water Projects Account: For transfer to the state general fund, \$390,000 for fiscal year 2011	\$390,000
The Charitable, Educational, Penal, and Reformatory Institutions Account: For transfer to the state general fund, \$5,550,000 for fiscal year 2010 and \$5,550,000 for fiscal year 2011	\$11,100,000
Energy Freedom Account: For transfer to the state general fund, \$2,978,000 for fiscal year 2010 and \$2,978,000 for fiscal year 2011	\$5,956,000
Thurston County Capital Facilities Account: For transfer to the state general fund, \$4,194,000 for fiscal year 2010 and \$4,194,000 for fiscal year 2011	\$8,388,000
Public Works Assistance Account: For transfer to the state general fund, \$184,000,000 for fiscal year 2010 and \$184,000,000 for fiscal year 2011	\$368,000,000
Budget Stabilization Account: For transfer to the state general fund for fiscal year 2010.	\$45,130,000
Liquor Revolving Account: For transfer to the state general fund, \$31,000,000 for fiscal year 2010 and \$31,000,000 for fiscal year 2011	\$62,000,000
Public Works Assistance Account: For transfer to the city-county assistance account, \$5,000,000 on July 1, 2009, and \$5,000,000 on July 1, 2010	\$10,000,000
Public Works Assistance Account: For transfer to the drinking water assistance account, \$4,000,000 for fiscal year 2010 and \$4,000,000 for fiscal year 2011	\$8,000,000
<i>Performance Audits of Government Account: For transfer to the state general fund, \$22,120,000 in fiscal year 2010 and \$7,120,000 in fiscal year 2011</i>	<i>\$29,240,000</i>

*Sec. 805 was partially vetoed. See message at end of chapter.

**PART IX
MISCELLANEOUS**

NEW SECTION. Sec. 901. EXPENDITURE AUTHORIZATIONS.

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2007-2009 biennium.

NEW SECTION. Sec. 902. INFORMATION SYSTEMS PROJECTS.

Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

NEW SECTION. Sec. 903. (1) The legislature intends to continue the work that began in 2007 with the creation of the information technology work group.

(2) The vice-chair of the house ways and means committee, the chair of the general government appropriations committee, and the respective ranking minority members of these two committees shall convene a work group with representation that includes other interested legislators from the house of representatives and the senate, and representatives of the office of the governor, the office of financial management, the department of information services, state agency chief information officers, and the technology sector.

(3) The work group will:

(a) Review the findings and recommendations of the 2008-2009 state information technology study;

(b) Consider how to implement some or all of the study's recommendations; and

(c) Consider ways the state may improve the administration and coordination of state information technology and achieve budgetary efficiencies.

(4) Staff support for the work group shall be provided by the house of representatives office of program research and the senate committee services to the extent senators participate in the work group.

(5) Legislative members of the work group shall be reimbursed for travel expenses in accordance with RCW 44.04.120.

(6) The expenses of the work group shall be paid jointly by the senate and the house of representatives. Work group expenditures are subject to approval by the senate facilities and operations committee and the house executive rules committee, or their successor committees.

(7) The work group may report its findings and recommendations, if any, in the form of draft legislation.

NEW SECTION. Sec. 904. INFORMATION TECHNOLOGY ENTERPRISE SERVICES. Agencies may make use of the department of information services when acquiring information technology services, products, and assets.

"Information technology services" means the acquisition, provisioning, or approval of hardware, software, and purchased or personal services provided by the department of information services.

If an information technology enterprise service is provided by the department, or an agency has a specific requirement to acquire hardware, software, or purchased or personal services directly, the agency shall consult with the department of information services.

NEW SECTION. Sec. 905. VIDEO TELECOMMUNICATIONS. The department of information services shall act as lead agency in coordinating video telecommunications services for state agencies. As lead agency, the department shall develop standards and common specifications for leased and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational service districts in telecommunications planning and curriculum development.

Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

NEW SECTION. Sec. 906. CENTRAL SERVICES. The governor shall convene a work group consisting of representatives from the central service agencies and their clients to collaborate on methods for providing commonly needed services to state agencies, including, but not limited to: Human resource management, employee benefits, payroll, accounting, purchasing, information technology, real estate services, facility management, building and grounds maintenance, fleet management, printing services, and office mail distribution. The work group should consider the experience of other states and large organizations and should identify opportunities to improve service delivery and reduce costs, including, but not limited to:

- (1) Simplifying processes and gaining efficiencies;
- (2) Using a shared, common service model;
- (3) Centralizing services or activities which may lead to consolidating or eliminating existing programs or state agencies; and
- (4) Revising agencies' authority or governance structures.

The work group shall submit a proposal that improves the delivery of central services to state agencies, including changes to the current governance structure, organizational changes that improves and simplifies service delivery, and any statutory changes that may be necessary to the governor by October 1, 2009.

NEW SECTION. Sec. 907. NATURAL RESOURCES ORGANIZATIONS. The governor shall convene a work group consisting of representatives from the natural resource agencies. The work group shall consider the experience of other states and their organizational structures to identify consolidation opportunities to improve service delivery and reduce costs. The work group shall submit a comprehensive written recommendation to the governor and the office of financial management by September 1, 2009.

NEW SECTION. Sec. 908. PUGET SOUND PROTECTION AND RESTORATION. Consistent with RCW 90.71.340, when expending appropriations under this act that contribute to Puget Sound protection and recovery, agencies shall consult with the Puget Sound partnership to ensure that expenditures are either in, or consistent with, the 2020 action agenda.

NEW SECTION. Sec. 909. EMERGENCY FUND ALLOCATIONS. Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

NEW SECTION. Sec. 910. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement

system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. Sec. 911. BOND EXPENSES. In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. Sec. 912. VOLUNTARY RETIREMENT, SEPARATION, AND DOWNSHIFTING INCENTIVES. As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may implement a voluntary retirement, separation, and/or downshifting incentive program that is cost neutral or results in cost savings over a two year period following the commencement of the program, provided that such a program is approved by the director of financial management.

Agencies participating in this authorization may offer voluntary retirement, separation, and/or downshifting incentives and options according to procedures and guidelines established by the office of financial management, in consultation with the department of personnel and the department of retirement systems. The options may include, but are not limited to, financial incentives for: Voluntary separation or retirement, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. An employee does not have a contractual right to a financial incentive offered pursuant to this section.

Offers shall be reviewed and monitored jointly by the department of personnel and the department of retirement systems. Agencies are required to submit a report by June 30, 2011, to the legislature and the office of financial management on the outcome of their approved incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2009-11 biennium.

NEW SECTION. Sec. 913. ADMINISTRATIVE REDUCTIONS. (1) The appropriations in this act reflect significant reductions in the appropriations for the administrative expenses of state government. It is the intent of the legislature that these reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs. Agencies shall review their management costs and reduce expenditures on salaries and benefits for management positions as part of these administrative reductions.

(2) To the extent permitted by the applicable personnel system rules, and to the extent collectively bargained with represented employees where applicable, the agencies and institutions of state government are encouraged to achieve the reductions in full-time-equivalent employment and payroll levels necessary to

operate within these appropriations through strategies that will minimize impacts on employees, their families, their communities, and short- and long-term accomplishment of the agency's mission. Agencies are encouraged to use strategies such as reduced work-hours per day or week, voluntary leave without pay, and temporary furloughs that enable employees to maintain permanent employment status. Agencies are further encouraged to implement such strategies in ways that will enable employees to maintain full insurance benefits, full accrual of retirement service credit, and a living wage.

NEW SECTION. Sec. 914. COMPENSATION—INSURANCE BENEFITS. Appropriations for state agencies in this act are sufficient for nonrepresented and represented state employee health benefits for state agencies, including institutions of higher education and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$745 per eligible employee for fiscal year 2010. For fiscal year 2011 the monthly employer funding rate shall not exceed \$768 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or make other changes to benefits consistent with RCW 41.05.065. During the 2009-11 fiscal biennium, the board may only authorize benefit plans and premium contributions for an employee and the employee's dependents that are the same, regardless of an employee's status as represented or nonrepresented under the personnel system reform act of 2002.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(d) The conditions in this section apply to benefits for nonrepresented employees, employees represented by the super coalition, and represented employees outside of the super coalition, including employees represented under chapter 47.64 RCW.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. From January 1, 2010, through the remainder of the 2009-11 fiscal biennium, the subsidy shall be \$182.89.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$59.59 per month beginning September 1, 2009, and \$64.90 beginning September 1, 2010;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$59.59 each month beginning September 1, 2009, and \$64.90 beginning September 1, 2010, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. Sec. 915. COMPENSATION—REVISE PENSION CONTRIBUTION RATES. The appropriations for school districts and state agencies, including institutions of higher education are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to agency appropriations to reflect savings resulting from changes to pension funding as provided in Engrossed Substitute Senate Bill No. 6161 (actuarial funding of pension systems). If the bill is not enacted by June 30, 2009, this section shall lapse.

NEW SECTION. Sec. 916. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED. Nothing in this act or chapter 5 (ESSB 5460), Laws of 2009 prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of chapter 5, Laws of 2009 (February 18, 2009).

NEW SECTION. Sec. 917. FIRST-TIME HOME BUYERS. To accelerate the receipt of federal tax credits for first-time home buyers provided in the 2009 American recovery and relief act, the state housing finance commission is authorized to obtain services from a qualified public depository. The housing finance commission and the state treasurer are further authorized to enter into an agreement with the selected public depository to receive an off-setting deposit of up to \$25,000,000 in state funds. The off-setting deposit shall be made at market rates. Deposit can only be made from May 1, 2009, until the expiration of the federal tax credit if an established account with a minimum value of \$400,000, at least \$200,000 of which must be cash, exists to finance first losses, and funds are used consistent with federal requirements.

Sec. 918. RCW 2.68.020 and 2005 c 282 s 11 are each amended to read as follows:

There is created an account in the custody of the state treasurer to be known as the judicial information system account. The administrative office of the courts shall maintain and administer the account, in which shall be deposited all moneys received from in-state noncourt users and any out-of-state users of the judicial information system and moneys as specified in RCW 2.68.040 for the purposes of providing judicial information system access to noncourt users and providing an adequate level of automated services to the judiciary. The legislature shall appropriate the funds in the account for the purposes of the judicial information system. The account shall be used for the acquisition of equipment, software, supplies, services, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies, and equipment, including the

payment of principal and interest on items paid in installments. During the 2009-2011 fiscal biennium, the legislature may transfer from the judicial information system account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 919. RCW 28A.160.130 and 1991 c 114 s 2 are each amended to read as follows:

(1) There is created a fund on deposit with each county treasurer for each school district of the county, which shall be known as the transportation vehicle fund. Money to be deposited into the transportation vehicle fund shall include, but is not limited to, the following:

(a) The balance of accounts held in the general fund of each school district for the purchase of approved transportation equipment and for major transportation equipment repairs under RCW 28A.150.280. The amount transferred shall be the balance of the account as of September 1, 1982;

(b) Reimbursement payments provided for in RCW 28A.160.200 except those provided under RCW 28A.160.200(~~((4))~~) (3) that are necessary for contracted payments to private carriers;

(c) Earnings from transportation vehicle fund investments as authorized in RCW 28A.320.300; and

(d) The district's share of the proceeds from the sale of transportation vehicles, as determined by the superintendent of public instruction.

(2) Funds in the transportation vehicle fund may be used for the following purposes:

(a) Purchase of pupil transportation vehicles pursuant to RCW 28A.160.200 and 28A.150.280;

(b) Payment of conditional sales contracts as authorized in RCW 28A.335.200 or payment of obligations authorized in RCW 28A.530.080, entered into or issued for the purpose of pupil transportation vehicles;

(c) Major repairs to pupil transportation vehicles;

(d) For the 2009-2011 biennium, a school district that is wholly contained on an island and has a student enrollment greater than two hundred fifty students and fewer than five hundred and fifty students may transfer from the transportation vehicle fund to the school district's general fund such amounts as necessary for instructional costs.

The superintendent of public instruction shall adopt rules which shall establish the standards, conditions, and procedures governing the establishment and use of the transportation vehicle fund. The rules shall not permit the transfer of funds from the transportation vehicle fund to any other fund of the district, except as provided under subsection (2)(d) of this section.

Sec. 920. RCW 28B.105.110 and 2008 c 329 s 908 are each amended to read as follows:

(1) The GET ready for math and science scholarship account is created in the custody of the state treasurer.

(2) The board shall deposit into the account all money received for the GET ready for math and science scholarship program from appropriations and private sources. The account shall be self-sustaining.

(3) Expenditures from the account shall be used for scholarships to eligible students and for purchases of GET units. Purchased GET units shall be owned

and held in trust by the board. Expenditures from the account shall be an equal match of state appropriations and private funds raised by the program administrator. During the ~~((2007-09))~~ 2009-2011 fiscal biennium, expenditures from the account not to exceed five percent may be used by the program administrator to carry out the provisions of RCW 28B.105.090.

(4) With the exception of the operating costs associated with the management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.

(5) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

(6) Disbursements from the account shall be made only on the authorization of the board.

Sec. 921. RCW 35.104.060 and 2007 c 251 s 6 are each amended to read as follows:

(1) The authority has all the general powers necessary to carry out its purposes and duties and to exercise its specific powers, including the authority may:

(a) Sue and be sued in its own name;

(b) Make and execute agreements, contracts, and other instruments, with any public or private entity or person, in accordance with this chapter;

(c) Employ, contract with, or engage independent counsel, financial advisors, auditors, other technical or professional assistants, and such other personnel as are necessary or desirable to implement this chapter;

(d) Establish such special funds, and control deposits to and disbursements from them, as it finds convenient for the implementation of this chapter;

(e) Enter into contracts with public and private entities for research to be conducted in this state;

(f) Delegate any of its powers and duties if consistent with the purposes of this chapter;

(g) Exercise any other power reasonably required to implement the purposes of this chapter; and

(h) Hire staff and pay administrative costs; however, such expenses shall be paid from moneys provided by the sponsoring local government and moneys received from gifts, grants, and bequests and the interest earned on the authority's accounts and investments. During the 2009-2011 fiscal biennium, up to ten percent of the amounts received under RCW 82.14.480 may be used by a health services and sciences authority for the purposes of subsections (1)(c) and (h) of this section.

(2) In addition to other powers and duties prescribed in this chapter, the authority is empowered to:

(a) Use the authority's public moneys, leveraging those moneys with amounts received from other public and private sources in accordance with contribution agreements, to promote bioscience-based economic development, and to advance new therapies and procedures to combat disease and promote public health;

(b) Solicit and receive gifts, grants, and bequests, and enter into contribution agreements with private entities and public entities to receive moneys in consideration of the authority's promise to leverage those moneys with the

revenue generated by the tax authorized under RCW 82.14.480 and contributions from other public entities and private entities, in order to use those moneys to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health;

(c) Hold funds received by the authority in trust for their use pursuant to this chapter to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health;

(d) Manage its funds, obligations, and investments as necessary and consistent with its purpose, including the segregation of revenues into separate funds and accounts;

(e) Make grants to entities pursuant to contract to promote bioscience-based economic development and advance new therapies and procedures to combat disease and promote public health. Grant agreements shall specify the deliverables to be provided by the recipient pursuant to the grant. Grants to private entities may only be provided under a contractual agreement that ensures the state will receive appropriate consideration, such as an assurance of job creation or retention, or the delivery of services that provide for the public health, safety, and welfare. The authority shall solicit requests for funding and evaluate the requests by reference to factors such as: (i) The quality of the proposed research; (ii) its potential to improve health outcomes, with particular attention to the likelihood that it will also lower health care costs, substitute for a more costly diagnostic or treatment modality, or offer a breakthrough treatment for a particular disease or condition; (iii) its potential to leverage additional funding; (iv) its potential to provide health care benefits; (v) its potential to stimulate employment; and (vi) evidence of public and private collaboration;

(f) Create one or more advisory boards composed of scientists, industrialists, and others familiar with health sciences and services; and

(g) Adopt policies and procedures to facilitate the orderly process of grant application, review, and reward.

(3) The records of the authority shall be subject to audit by the office of the state auditor.

Sec. 922. RCW 38.52.106 and 2008 c 329 s 909 are each amended to read as follows:

The Nisqually earthquake account is created in the state treasury. Moneys may be placed in the account from tax revenues, budget transfers or appropriations, federal appropriations, gifts, or any other lawful source. Moneys in the account may be spent only after appropriation. Moneys in the account shall be used only to support state and local government disaster response and recovery efforts associated with the Nisqually earthquake. During the 2003-2005 fiscal biennium, the legislature may transfer moneys from the Nisqually earthquake account to the disaster response account for fire suppression and mobilization costs. During the 2007-2009 fiscal biennium, moneys in the account may also be used to support disaster response and recovery efforts associated with flood and storm damage. During the 2009-2011 fiscal biennium, the legislature may transfer moneys from the Nisqually earthquake account to the disaster response account for disaster response and recovery efforts associated with flood and storm damage.

Sec. 923. RCW 41.48.060 and 1991 sp.s. c 13 s 112 are each amended to read as follows:

(1) There is hereby established a special account in the state treasury to be known as the OASI contribution account. Such account shall consist of and there shall be deposited in such account: (a) All contributions and penalties collected under RCW 41.48.040 and 41.48.050; (b) all moneys appropriated thereto under this chapter; (c) any property or securities belonging to the account; and (d) all sums recovered upon the bond of the custodian or otherwise for losses sustained by the account and all other moneys received for the account from any other source. All moneys in the account shall be mingled and undivided. Subject to the provisions of this chapter, the governor is vested with full power, authority and jurisdiction over the account, including all moneys and property or securities belonging thereto, and may perform any and all acts whether or not specifically designated, which are necessary to the administration thereof and are consistent with the provisions of this chapter. During the 2009-2011 fiscal biennium, moneys in the OASI contribution account may also be transferred into the OASI revolving fund.

(2) The OASI contribution account shall be established and held separate and apart from any other funds of the state and shall be used and administered exclusively for the purpose of this chapter. Withdrawals from such account shall be made for, and solely for (a) payment of amounts required to be paid to the secretary of the treasury pursuant to an agreement entered into under RCW 41.48.030; (b) payment of refunds provided for in RCW 41.48.040(3); and (c) refunds of overpayments, not otherwise adjustable, made by a political subdivision or instrumentality.

(3) From the OASI contribution account the custodian of the fund [account] shall pay to the secretary of the treasury such amounts and at such time or times as may be directed by the governor in accordance with any agreement entered into under RCW 41.48.030 and the social security act.

(4) The treasurer of the state shall be ex officio treasurer and custodian of the OASI contribution account and shall administer such account in accordance with the provisions of this chapter and the directions of the governor and shall pay all warrants drawn upon it in accordance with the provisions of this section and with the regulations as the governor may prescribe pursuant thereto.

Sec. 924. RCW 41.50.110 and 2008 c 329 s 911 are each amended to read as follows:

(1) Except as provided by RCW 41.50.255 and subsection (6) of this section, all expenses of the administration of the department, the expenses of administration of the retirement systems, and the expenses of the administration of the office of the state actuary created in chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department of retirement systems expense fund.

(2) In order to reimburse the department of retirement systems expense fund on an equitable basis the department shall ascertain and report to each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its proportional share of the entire expense of the administration of the retirement system that the employer participates in during the ensuing biennium or fiscal year whichever may be required. Such sum is to be computed in an amount directly proportional to the estimated entire expense

of the administration as the ratio of monthly salaries of the employer's members bears to the total salaries of all members in the entire system. It shall then be the duty of all such employers to include in their budgets or otherwise provide the amounts so required.

(3) The department shall compute and bill each employer, as defined in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the end of each month for the amount due for that month to the department of retirement systems expense fund and the same shall be paid as are its other obligations. Such computation as to each employer shall be made on a percentage rate of salary established by the department. However, the department may at its discretion establish a system of billing based upon calendar year quarters in which event the said billing shall be at the end of each such quarter.

(4) The director may adjust the expense fund contribution rate for each system at any time when necessary to reflect unanticipated costs or savings in administering the department.

(5) An employer who fails to submit timely and accurate reports to the department may be assessed an additional fee related to the increased costs incurred by the department in processing the deficient reports. Fees paid under this subsection shall be deposited in the retirement system expense fund.

(a) Every six months the department shall determine the amount of an employer's fee by reviewing the timeliness and accuracy of the reports submitted by the employer in the preceding six months. If those reports were not both timely and accurate the department may prospectively assess an additional fee under this subsection.

(b) An additional fee assessed by the department under this subsection shall not exceed fifty percent of the standard fee.

(c) The department shall adopt rules implementing this section.

(6) Expenses other than those under RCW 41.34.060(3) shall be paid pursuant to subsection (1) of this section.

(7) During the 2007-2009 ~~and 2009-2011~~ fiscal (~~biennium~~) biennia, the legislature may transfer from the department of retirement systems' expense fund to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 925. RCW 43.03.310 and 1998 c 164 s 1 are each amended to read as follows:

(1) The citizens' commission on salaries for elected officials shall study the relationship of salaries to the duties of members of the legislature, all elected officials of the executive branch of state government, and all judges of the supreme court, court of appeals, superior courts, and district courts, and shall fix the salary for each respective position.

(2) Except as provided otherwise in RCW 43.03.305 and this section, the commission shall be solely responsible for its own organization, operation, and action and shall enjoy the fullest cooperation of all state officials, departments, and agencies.

(3) Members of the commission shall receive no compensation for their services, but shall be eligible to receive a subsistence allowance and travel expenses pursuant to RCW 43.03.050 and 43.03.060.

(4) The members of the commission shall elect a chair from among their number. The commission shall set a schedule of salaries by an affirmative vote of not less than nine members of the commission.

(5) The commission shall file its initial schedule of salaries for the elected officials with the secretary of state no later than the first Monday in June, 1987, and shall file a schedule biennially thereafter. Each such schedule shall be filed in legislative bill form, shall be assigned a chapter number and published with the session laws of the legislature, and shall be codified by the statute law committee. The signature of the chair of the commission shall be affixed to each schedule submitted to the secretary of state. The chair shall certify that the schedule has been adopted in accordance with the provisions of state law and with the rules, if any, of the commission. Such schedules shall become effective ninety days after the filing thereof, except as provided in Article XXVIII, section 1 of the state Constitution. State laws regarding referendum petitions shall apply to such schedules to the extent consistent with Article XXVIII, section 1 of the state Constitution.

(6) Before the filing of any salary schedule, the commission shall first develop a proposed salary schedule and then hold no fewer than four regular meetings as defined by chapter 42.30 RCW to take public testimony on the proposed schedule within the four months immediately preceding the filing. In the 2009-2011 fiscal biennium, the commission shall hold no more than two regular meetings as defined by chapter 42.30 RCW to take public testimony on the proposed schedule within the four months immediately preceding the filing. At the last public hearing that is held as a regular meeting on the proposed schedule, the commission shall adopt the salary schedule as originally proposed or as amended at that meeting that will be filed with the secretary of state.

(7) All meetings, actions, hearings, and business of the commission shall be subject in full to the open public meetings act, chapter 42.30 RCW.

(8) Salaries of the officials referred to in subsection (1) of this section that are in effect on January 12, 1987, shall continue until modified by the commission under this section.

Sec. 926. RCW 43.08.190 and 2008 c 329 s 912 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW 43.79A.040 or 43.84.092(4). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate based on the appropriations for the treasurer's office.

During the ((2007-2009)) 2009-2011 fiscal biennium, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 927. RCW 43.09.260 and 1995 c 301 s 15 are each amended to read as follows:

(1) The examination of the financial affairs of all local governments shall be made at such reasonable, periodic intervals as the state auditor shall determine. However, an examination of the financial affairs of all local governments shall be made at least once in every three years, and an examination of individual local government health and welfare benefit plans and local government self-insurance programs shall be made at least once every two years.

(2) During the 2009-2011 fiscal biennium, the state auditor shall conduct audits no more often than once every two years of local governments with annual general fund revenues of ten million dollars or less and no findings of impropriety for the three-year period immediately preceding the audit period. This subsection does not prohibit the state auditor from conducting audits: (a) To address suspected fraud or irregular conduct; (b) at the request of the local government governing body; or (c) as required by federal laws or regulations.

(3) The term local governments for purposes of this chapter includes but is not limited to all counties, cities, and other political subdivisions, municipal corporations, and quasi-municipal corporations, however denominated.

(4) The state auditor shall establish a schedule to govern the auditing of local governments which shall include: A designation of the various classifications of local governments; a designation of the frequency for auditing each type of local government; and a description of events which cause a more frequent audit to be conducted.

(5) On every such examination, inquiry shall be made as to the financial condition and resources of the local government; whether the Constitution and laws of the state, the ordinances and orders of the local government, and the requirements of the state auditor have been properly complied with; and into the methods and accuracy of the accounts and reports.

(6) A report of such examination shall be made and filed in the office of state auditor, and one copy shall be transmitted to the local government. A copy of any report containing findings of noncompliance with state law shall be transmitted to the attorney general. If any such report discloses malfeasance, misfeasance, or nonfeasance in office on the part of any public officer or employee, within thirty days from the receipt of his or her copy of the report, the attorney general shall institute, in the proper county, such legal action as is proper in the premises by civil process and prosecute the same to final determination to carry into effect the findings of the examination.

(7) It shall be unlawful for any local government or the responsible head thereof, to make a settlement or compromise of any claim arising out of such malfeasance, misfeasance, or nonfeasance, or any action commenced therefor, or for any court to enter upon any compromise or settlement of such action, without the written approval and consent of the attorney general and the state auditor.

Sec. 928. RCW 43.09.282 and 2008 c 328 s 6007 are each amended to read as follows:

For the purposes of centralized funding, accounting, and distribution of the costs of the audits performed on local governments by the state auditor, there is hereby created an account entitled the municipal revolving account. The state treasurer shall be custodian of the account. All moneys received by the state auditor or by any officer or employee thereof shall be deposited with the state

treasurer and credited to the municipal revolving account. Only the state auditor or the auditor's designee may authorize expenditures from the account. No appropriation is required for expenditures. The state auditor shall keep such records as are necessary to detail the auditing costs attributable to the various types of local governments. ~~((During the 2007-2009 fiscal biennium, the legislature may transfer from the municipal revolving account to the Washington state heritage center account such amounts as reflect excess fund balance in the account.))~~ During the 2009-2011 fiscal biennium, the state auditor shall reduce the municipal revolving account charges for financial audits performed on local governments by five percent.

Sec. 929. RCW 43.09.475 and 2006 c 1 s 5 are each amended to read as follows:

The performance audits of government account is hereby created in the custody of the state treasurer. Revenue identified in RCW 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money in the account shall be used to fund the performance audits and follow-up performance audits under RCW 43.09.470 and shall be expended by the state auditor in accordance with chapter 1, Laws of 2006. Only the state auditor or the state auditor's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. During the 2009-2011 fiscal biennium, the legislature may transfer from the performance audits of government account to the state general fund such amounts as deemed to be appropriate or necessary.

Sec. 930. RCW 43.10.180 and 2007 c 522 s 951 are each amended to read as follows:

(1) The attorney general shall keep such records as are necessary to facilitate proper allocation of costs to funds and agencies served and the director of financial management shall prescribe appropriate accounting procedures to accurately allocate costs to funds and agencies served. Billings shall be adjusted in line with actual costs incurred at intervals not to exceed six months.

(2) During the ~~((2007-2009))~~ 2009-2011 fiscal biennium, all expenses for administration of the office of the attorney general shall be allocated to and paid from the legal services revolving fund in accordance with accounting procedures prescribed by the director of financial management.

Sec. 931. RCW 43.17.390 and 2005 c 384 s 4 are each amended to read as follows:

Starting ~~((no later than 2008))~~ in 2012, and at least once every three years thereafter, each agency shall apply to the Washington state quality award, or similar organization, for an independent assessment of its quality management, accountability, and performance system. The assessment shall evaluate the effectiveness of all elements of its management, accountability, and performance system, including: Leadership, strategic planning, customer focus, analysis and information, employee performance management, and process improvement. The purpose of the assessment is to recognize best practice and identify improvement opportunities.

Sec. 932. RCW 43.19.501 and 2008 c 328 s 6016 are each amended to read as follows:

The Thurston county capital facilities account is created in the state treasury. The account is subject to the appropriation and allotment procedures under chapter 43.88 RCW. Moneys in the account may be expended for capital projects in facilities owned and managed by the department of general administration in Thurston county. For the 2007-2009 biennium, moneys in the account may be used for predesign identified in section 1037, chapter 328, Laws of 2008.

During the 2009-2011 fiscal biennium, the legislature may transfer from the Thurston county capital facilities account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 933. RCW 43.21A.667 and 2005 c 464 s 4 are each amended to read as follows:

(1) The freshwater aquatic algae control account is created in the state treasury. Moneys directed to the account from RCW 88.02.050 must be deposited in the account. Expenditures from the account may only be used as provided in this section. Moneys in the account may be spent only after appropriation.

(2) Funds in the freshwater aquatic algae control account may be appropriated to the department to develop a freshwater aquatic algae control program. Funds must be expended as follows:

(a) As grants to cities, counties, tribes, special purpose districts, and state agencies to manage excessive freshwater algae, with priority for the treatment of lakes in which harmful algal blooms have occurred within the past three years; and during the 2009-2011 fiscal biennium to provide grants for sea lettuce research and removal to assist Puget Sound communities that are impacted by hyperblooms of sea lettuce; and

(b) To provide technical assistance to applicants and the public about aquatic algae control.

(3) The department shall submit a biennial report to the appropriate legislative committees describing the actions taken to implement this section along with suggestions on how to better fulfill the intent of chapter 464, Laws of 2005. The first report is due December 1, 2007.

NEW SECTION. Sec. 934. A new section is added to chapter 43.70 RCW to read as follows:

The universal vaccine purchase account is created in the custody of the state treasurer. Receipts from public and private sources for the purpose of increasing access to vaccines for children may be deposited into the account. Expenditures from the account must be used exclusively for the purchase of vaccines, at no cost to health care providers in Washington, to administer to children under nineteen years old who are not eligible to receive vaccines at no cost through federal programs. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Sec. 935. RCW 43.79.201 and 1995 c 399 s 77 are each amended to read as follows:

(1) The charitable, educational, penal and reformatory institutions account is hereby created, in the state treasury, into which account there shall be

deposited all moneys arising from the sale, lease or transfer of the land granted by the United States government to the state for charitable, educational, penal and reformatory institutions by section 17 of the enabling act, or otherwise set apart for such institutions, except all moneys arising from the sale, lease, or transfer of that certain one hundred thousand acres of such land assigned for the support of the University of Washington by chapter 91, Laws of 1903 and section 9, chapter 122, Laws of 1893.

(2) If feasible, not less than one-half of all income to the charitable, educational, penal, and reformatory institutions account shall be appropriated for the purpose of providing housing, including repair and renovation of state institutions, for persons (~~who are mentally ill, developmentally disabled~~) with mental illness or developmental disabilities, or youth who are blind, deaf, or otherwise disabled. If moneys are appropriated for community-based housing, the moneys shall be appropriated to the department of community, trade, and economic development for the housing assistance program under chapter 43.185 RCW. During the 2009-2011 fiscal biennium, the legislature may transfer from the charitable, educational, penal and reformatory institutions account to the state general fund such amounts as reflect excess fund balance of the fund.

**Sec. 936. RCW 43.79.460 and 2009 c 4 s 902 are each amended to read as follows:*

(1) The savings incentive account is created in the custody of the state treasurer. The account shall consist of all moneys appropriated to the account by the legislature. The account is subject to the allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures from the account.

(2) Within the savings incentive account, the state treasurer may create subaccounts to be credited with incentive savings attributable to individual state agencies, as determined by the office of financial management in consultation with the legislative fiscal committees. Moneys deposited in the subaccounts may be expended only on the authorization of the agency's executive head or designee and only for the purpose of one-time expenditures to improve the quality, efficiency, and effectiveness of services to customers of the state, such as one-time expenditures for employee training, employee incentives, technology improvements, new work processes, or performance measurement. Funds may not be expended from the account to establish new programs or services, expand existing programs or services, or incur ongoing costs that would require future expenditures.

(3) For purposes of this section, "incentive savings" means state general fund appropriations that are unspent as of June 30th of a fiscal year, excluding any amounts included in across-the-board reductions under RCW 43.88.110 and excluding unspent appropriations for:

(a) Caseload and enrollment in entitlement programs, except to the extent that an agency has clearly demonstrated that efficiencies have been achieved in the administration of the entitlement program. "Entitlement program," as used in this section, includes programs for which specific sums of money are appropriated for pass-through to third parties or other entities;

(b) Enrollments in state institutions of higher education;

(c) A specific amount contained in a condition or limitation to an appropriation in the biennial appropriations act, if the agency did not achieve the specific purpose or objective of the condition or limitation;

(d) Debt service on state obligations; and

(e) State retirement system obligations.

(4) The office of financial management, after consulting with the legislative fiscal committees, shall report to the treasurer the amount of savings incentives achieved. By December 1, ((1998)) 2010, and each December 1st thereafter, the office of financial management shall submit a report to the fiscal committees of the legislature on the implementation of this section. The report shall (a) evaluate the impact of this section on agency reversions and end-of-biennium expenditure patterns, and (b) itemize agency expenditures from the savings recovery account. The office of financial management is relieved from having to submit a report by December 1, 2008.

(5) For fiscal year 2009, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent state general fund appropriations for fiscal year 2008.

**Sec. 936 was vetoed. See message at end of chapter.*

Sec. 937. RCW 43.79.480 and 2005 c 424 s 12 are each amended to read as follows:

(1) Moneys received by the state of Washington in accordance with the settlement of the state's legal action against tobacco product manufacturers, exclusive of costs and attorneys' fees, shall be deposited in the tobacco settlement account created in this section except as these moneys are sold or assigned under chapter 43.340 RCW.

(2) The tobacco settlement account is created in the state treasury. Moneys in the tobacco settlement account may only be transferred to the health services account for the purposes set forth in RCW 43.72.900, and to the tobacco prevention and control account for purposes set forth in this section. The legislature shall transfer amounts received as strategic contribution payments as defined in RCW 43.350.010 to the life sciences discovery fund created in RCW 43.350.070. During the 2009-2011 fiscal biennium, the legislature may transfer less than the entire strategic contribution payments.

(3) The tobacco prevention and control account is created in the state treasury. The source of revenue for this account is moneys transferred to the account from the tobacco settlement account, investment earnings, donations to the account, and other revenues as directed by law. Expenditures from the account are subject to appropriation. During the 2009-2011 fiscal biennium, the legislature may transfer from the tobacco prevention and control account to the state general fund such amounts as represent the excess fund balance of the account.

Sec. 938. RCW 43.83B.360 and 1991 sp.s. c 13 s 33 are each amended to read as follows:

The proceeds from the sale of bonds authorized by RCW 43.83B.300, and 43.83B.355 through 43.83B.375 shall be deposited in the state emergency water projects revolving account, hereby created in the state treasury, and shall be used exclusively for the purposes specified in RCW 43.83B.300, and 43.83B.355 through 43.83B.375 and for the payment of expenses incurred in the issuance

and sale of such bonds. During the 2009-2011 fiscal biennium, the legislature may transfer from the state emergency water projects revolving account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 939. RCW 43.135.045 and 2007 c 520 s 6035 and 2007 c 484 s 5 are each reenacted and amended to read as follows:

(1) The student achievement fund is hereby created in the state treasury.

(2) The education construction fund is hereby created in the state treasury.

(a) Funds may be appropriated from the education construction fund exclusively for common school construction or higher education construction. During the 2007-2009 fiscal biennium, funds may also be used for higher education facilities preservation and maintenance. During the 2009-2011 fiscal biennium, the legislature may transfer from the education construction fund to the state general fund such amounts as reflect the excess fund balance of the fund.

(b) Funds may be appropriated for any other purpose only if approved by a two-thirds vote of each house of the legislature and if approved by a vote of the people at the next general election. An appropriation approved by the people under this subsection shall result in an adjustment to the state expenditure limit only for the fiscal period for which the appropriation is made and shall not affect any subsequent fiscal period.

(3) Funds from the student achievement fund shall be appropriated to the superintendent of public instruction strictly for distribution to school districts to meet the provisions set out in the student achievement act. Allocations shall be made on an equal per full-time equivalent student basis to each school district.

Sec. 940. RCW 43.155.050 and 2008 c 328 s 6002 are each amended to read as follows:

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. ~~((For the 2007-2009 biennium, moneys in the account may be used for grants for projects identified in section 138, chapter 488, Laws of 2005, for the infrastructure investment system implementation plan identified in section 1022, chapter 328, Laws of 2008; for the interest rate buy-down pilot program identified in section 1004, chapter 328, Laws of 2008; and for the housing assistance, weatherization, and affordable housing program identified in section 1005, chapter 328, Laws of 2008.))~~ During the 2009-2011 fiscal

biennium, the legislature may transfer from the public works assistance account to the general fund and the city-county assistance account such amounts as reflect the excess fund balance of the account.

~~((2) The job development fund is hereby established in the state treasury. ((Up to fifty million dollars each biennium from the public works assistance account may be transferred into the job development fund. Money in the job development fund may be used solely for job development fund program grants, administrative expenses related to the administration of the job development fund program created in RCW 43.160.230, and for the report prepared by the joint legislative audit and review committee pursuant to RCW 44.28.801(2).)) Moneys in the job development fund may be spent only after appropriation. ((The board shall prepare a prioritized list of proposed projects of up to fifty million dollars as part of the department's 2007-09 biennial budget request. The board may provide an additional alternate job development fund project list of up to ten million dollars. The legislature may remove projects from the list recommended by the board. The legislature may not change the prioritization of projects recommended for funding by the board, but may add projects from the alternate list in order of priority, as long as the total funding does not exceed fifty million dollars.))~~

Sec. 941. RCW 43.215.125 and 2008 c 164 s 2 are each amended to read as follows:

~~((Within existing funds))~~ For the 2009-2011 fiscal biennium, to the extent funds are appropriated for this purpose, the department shall develop a proposal for implementing a statewide Washington head start program. To the extent possible while maintaining quality standards, the proposal should align the state early childhood education and assistance program with federal head start program eligibility criteria, guidelines, performance standards, and methods/processes for ensuring continuous improvement in program quality. In this proposal, the department shall make recommendations that:

(a) Identify federal head start program guidelines, performance measures and standards, or other requirements for which state flexibility would be recommended. This shall include an analysis of how state flexibility may impact outcomes for children and how that flexibility might deviate from outcomes associated with the federal standards. Areas to be examined must include, but are not limited to, transportation requirements, service hour configurations, delivery methods, and impact on rural programs;

(b) Provide comparative data regarding child performance, readiness, and educational outcomes for Washington's existing head start and early childhood education and assistance programs;

(c) Determine the alignment between head start standards and the recommendations of Washington learns;

(d) Identify any change in the state early childhood education and assistance program laws that would be required to implement the Washington head start proposal;

(e) Identify additional resources needed to meet federal guidelines and standards. Areas to be examined must include, but are not limited to: Per-child funding levels, professional development and training needs, facilities needs, and technical assistance;

(f) Identify state early childhood education and assistance programs that do and do not offer full-day, full-year services to children, and what transition steps would be needed for these programs to operate in the same manner as federal head start programs;

(g) Provide steps for phasing-in the Washington head start proposal;

(h) Include a timeline, strategy, and funding needs to implement a statewide, state-supported early head start program as a component of the Washington head start proposal; and

(i) Detail the process the department would take with the regional office of federal head start in identifying any exceptions or waivers needed to provide flexibility and maintain high quality standards.

(2) In developing its recommendations for this proposal, the department shall seek, where appropriate and available, training or technical assistance from the appropriate regional office of federal head start in order to maximize nonstate resources that might be available for the consultative work and research involved with developing this proposal. The department also shall consult with and solicit input from:

(a) State early childhood education and assistance program providers on Indian reservations and across the state, including providers who operate solely state-supported programs;

(b) Tribal governments operating head start programs and early head start programs in the state to ensure that the needs of Indian and Alaskan native children and their families are incorporated into the recommendations of the proposal, especially as they pertain to standards or guidelines around language acquisition, school readiness, availability and need for services among Indian and Alaskan native children and their families, and curriculum development; and

(c) Providers operating migrant and seasonal head start programs in the state in order to address the needs of the children of migrant and seasonal farmworker families.

(3) The department shall make recommendations on how it would periodically review the standards and guidelines within the Washington head start program, including incorporation of the latest research and information on early childhood development as well as any new innovations that may further improve outcomes to low-income children and their families.

(4) The department's recommendations on a Washington head start proposal shall include how the proposal aligns with the department's current statutory duties. The recommendations shall also include any other options that may improve the quality of state-supported early learning programs.

(5) The department shall deliver its report to the governor and legislature by December 1, 2009.

Sec. 942. RCW 43.325.040 and 2007 c 348 s 305 are each amended to read as follows:

(1) The energy freedom account is created in the state treasury. All receipts from appropriations made to the account and any loan payments of principal and interest derived from loans made under this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for assistance for projects consistent with this chapter or otherwise authorized by the legislature.

(2) The green energy incentive account is created in the state treasury as a subaccount of the energy freedom account. All receipts from appropriations made to the green energy incentive account shall be deposited into the account, and may be spent only after appropriation. Expenditures from the account may be used only for:

- (a) Refueling projects awarded under this chapter;
- (b) Pilot projects for plug-in hybrids, including grants provided for the electrification program set forth in RCW 43.325.110; and
- (c) Demonstration projects developed with state universities as defined in RCW 28B.10.016 and local governments that result in the design and building of a hydrogen vehicle fueling station.

(3) Any state agency receiving funding from the energy freedom account is prohibited from retaining greater than three percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce unless this provision is waived in writing by the director.

(4) Any university, institute, or other entity that is not a state agency receiving funding from the energy freedom account is prohibited from retaining greater than fifteen percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce.

(5) Subsections (2) through (4) of this section do not apply to assistance awarded for projects under RCW 43.325.020(3).

(6) During the 2009-2011 fiscal biennium, the legislature may transfer from the energy freedom account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 943. RCW 43.330.250 and 2008 c 329 s 914 are each amended to read as follows:

(1) The economic development strategic reserve account is created in the state treasury to be used only for the purposes of this section.

(2) Only the governor, with the recommendation of the director of the department of community, trade, and economic development and the economic development commission, may authorize expenditures from the account.

(3) Expenditures from the account shall be made in an amount sufficient to fund a minimum of one staff position for the economic development commission and to cover any other operational costs of the commission.

(4) During the ~~((2007-2009))~~ 2009-2011 fiscal biennium, moneys in the account may also be transferred into the state general fund.

(5) Expenditures from the account may be made to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state. Expenditures may be authorized for:

- (a) Workforce development;
- (b) Public infrastructure needed to support or sustain the operations of the business or facility; and
- (c) Other lawfully provided assistance, including, but not limited to, technical assistance, environmental analysis, relocation assistance, and planning

assistance. Funding may be provided for such assistance only when it is in the public interest and may only be provided under a contractual arrangement ensuring that the state will receive appropriate consideration, such as an assurance of job creation or retention.

(6) The funds shall not be expended from the account unless:

(a) The circumstances are such that time does not permit the director of the department of community, trade, and economic development or the business or facility to secure funding from other state sources;

(b) The business or facility produces or will produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(c) The business or facility does not require continuing state support;

(d) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state;

(e) The expenditure will not supplant private investment; and

(f) The expenditure is accompanied by private investment.

(7) No more than three million dollars per year may be expended from the account for the purpose of assisting an individual business or facility pursuant to the authority specified in this section.

(8) If the account balance in the strategic reserve account exceeds fifteen million dollars at any time, the amount in excess of fifteen million dollars shall be transferred to the education construction account.

Sec. 944. RCW 46.09.170 and 2007 c 522 s 953 and 2007 c 241 s 16 are each reenacted and amended to read as follows:

(1) From time to time, but at least once each year, the state treasurer shall refund from the motor vehicle fund one percent of the motor vehicle fuel tax revenues collected under chapter 82.36 RCW, based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007; (c) twenty-one cents per gallon of motor vehicle fuel from July 1, 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-three cents per gallon of motor vehicle fuel beginning July 1, 2011, and thereafter, less proper deductions for refunds and costs of collection as provided in RCW 46.68.090.

(2) The treasurer shall place these funds in the general fund as follows:

(a) Thirty-six percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of natural resources solely for acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities, and information programs and maintenance of nonhighway roads;

(b) Three and one-half percent shall be credited to the ORV and nonhighway vehicle account and administered by the department of fish and wildlife solely for the acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and the maintenance of nonhighway roads;

(c) Two percent shall be credited to the ORV and nonhighway vehicle account and administered by the parks and recreation commission solely for the

acquisition, planning, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities; and

(d) Fifty-eight and one-half percent shall be credited to the nonhighway and off-road vehicle activities program account to be administered by the board for planning, acquisition, development, maintenance, and management of ORV, nonmotorized, and nonhighway road recreation facilities and for education, information, and law enforcement programs. The funds under this subsection shall be expended in accordance with the following limitations:

(i) Not more than thirty percent may be expended for education, information, and law enforcement programs under this chapter;

(ii) Not less than seventy percent may be expended for ORV, nonmotorized, and nonhighway road recreation facilities. Except as provided in (d)(iii) of this subsection, of this amount:

(A) Not less than thirty percent, together with the funds the board receives under RCW 46.09.110, may be expended for ORV recreation facilities;

(B) Not less than thirty percent may be expended for nonmotorized recreation facilities. Funds expended under this subsection (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation facilities funds; and

(C) Not less than thirty percent may be expended for nonhighway road recreation facilities;

(iii) The board may waive the minimum percentage cited in (d)(ii) of this subsection due to insufficient requests for funds or projects that score low in the board's project evaluation. Funds remaining after such a waiver must be allocated in accordance with board policy.

(3) On a yearly basis an agency may not, except as provided in RCW 46.09.110, expend more than ten percent of the funds it receives under this chapter for general administration expenses incurred in carrying out this chapter.

(4) During the ~~((2007-09))~~ 2009-2011 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the NOVA account to the department of natural resources ~~((for planning and designing))~~ to install consistent off-road vehicle signage at department-managed recreation sites, and ~~((for planning))~~ to implement the recreation opportunities on department-managed lands in the Reiter block and Ahtanum state forest, and to the state parks and recreation commission for maintenance and operation of parks and to improve accessibility for boaters and off-road vehicle users. This appropriation is not required to follow the specific distribution specified in subsection (2) of this section.

Sec. 945. RCW 46.66.080 and 2007 c 199 s 27 are each amended to read as follows:

(1) The Washington auto theft prevention authority account is created in the state treasury, subject to appropriation. All revenues from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all receipts from gifts, grants, bequests, devises, or other funds from public and private sources to support the activities of the auto theft prevention authority must be deposited into the account. Expenditures from the account may be used only for activities relating to motor vehicle theft, including education, prevention, law enforcement, investigation, prosecution, and confinement. During the 2009-2011 fiscal biennium, the legislature may appropriate moneys from the Washington auto theft prevention authority account for criminal justice purposes and community building.

(2) The authority shall allocate moneys appropriated from the account to public agencies for the purpose of establishing, maintaining, and supporting programs that are designed to prevent motor vehicle theft, including:

(a) Financial support to prosecution agencies to increase the effectiveness of motor vehicle theft prosecution;

(b) Financial support to a unit of local government or a team consisting of units of local governments to increase the effectiveness of motor vehicle theft enforcement;

(c) Financial support for the procurement of equipment and technologies for use by law enforcement agencies for the purpose of enforcing motor vehicle theft laws; and

(d) Financial support for programs that are designed to educate and assist the public in the prevention of motor vehicle theft.

(3) The costs of administration shall not exceed ten percent of the moneys in the account in any one year so that the greatest possible portion of the moneys available to the authority is expended on combating motor vehicle theft.

(4) Prior to awarding any moneys from the Washington auto theft prevention authority account for motor vehicle theft enforcement, the auto theft prevention authority must verify that the financial award includes sufficient funding to cover proposed activities, which include, but are not limited to: (a) State, municipal, and county offender and juvenile confinement costs; (b) administration costs; (c) law enforcement costs; (d) prosecutor costs; and (e) court costs, with a priority being given to ensuring that sufficient funding is available to cover state, municipal, and county offender and juvenile confinement costs.

(5) Moneys expended from the Washington auto theft prevention authority account under subsection (2) of this section shall be used to supplement, not supplant, other moneys that are available for motor vehicle theft prevention.

(6) Grants provided under subsection (2) of this section constitute reimbursement for purposes of RCW 43.135.060(1).

Sec. 946. RCW 50.16.010 and 2009 c 4 s 906 are each amended to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund, an administrative contingency fund, and a federal interest payment fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304); and

(viii) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) ~~((During the 2007-2009 biennium))~~ Except as provided in (d) of this subsection, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014~~((1)(a))~~, shall be expended ~~((as appropriated by the legislature for the (i) cost of the job skills or worker retraining programs at the community and technical colleges and administrative costs at the state board for community and technical colleges, and (ii) reemployment services such as business and project development assistance, local economic development capacity building, and local economic development financial assistance at the department of community, trade, and economic development, and the remaining appropriation))~~ upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

(d)(i) During the 2007-2009 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature for: (A) The cost of the job skills or worker retraining programs at the community and technical colleges and administrative costs at the state board for community and technical colleges; and (B) reemployment services such as

business and project development assistance, local economic development capacity building, and local economic development financial assistance at the department of community, trade, and economic development. The remaining appropriation may be expended as specified in (c) of this subsection.

(ii) During the 2009-2011 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended by the department of social and health services as appropriated by the legislature for employment and training services and programs in the WorkFirst program, and for the administrative costs of state agencies participating in the WorkFirst program. The remaining appropriation may be expended as specified in (c) of this subsection.

(4) Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

Sec. 947. RCW 66.08.170 and 2002 c 371 s 917 are each amended to read as follows:

There shall be a fund, known as the "liquor revolving fund", which shall consist of all license fees, permit fees, penalties, forfeitures, and all other moneys, income, or revenue received by the board. The state treasurer shall be custodian of the fund. All moneys received by the board or any employee thereof, except for change funds and an amount of petty cash as fixed by the board within the authority of law shall be deposited each day in a depository approved by the state treasurer and transferred to the state treasurer to be credited to the liquor revolving fund. During the ~~((2001-2003))~~ 2009-2011 fiscal biennium, the legislature may transfer funds from the liquor revolving account to the state general fund ~~((such amounts as reflect the excess fund balance of the fund and reductions made by the 2002 supplemental appropriations act for administrative efficiencies and savings))~~ and may direct an additional amount of liquor profits to be distributed to local governments. Neither the transfer of funds nor the additional distribution of liquor profits to local governments during the 2009-2011 fiscal biennium may reduce the excess fund distributions that otherwise would occur under RCW 66.08.190. Disbursements from the revolving fund shall be on authorization of the board or a duly authorized representative thereof. In order to maintain an effective expenditure and revenue control the liquor revolving fund shall be subject in all respects to chapter 43.88 RCW but no appropriation shall be required to permit expenditures and payment of obligations from such fund.

***Sec. 948.** *RCW 67.40.040 and 2008 c 329 s 917 and 2008 c 328 s 6011 are each reenacted and amended to read as follows:*

(1) The proceeds from the sale of the bonds authorized in RCW 67.40.030, proceeds of the taxes imposed under RCW 67.40.090 and 67.40.130, and all other moneys received by the state convention and trade center from any public or private source which are intended to fund the acquisition, design, construction, expansion, exterior cleanup and repair of the Eagles building, conversion of various retail and other space to meeting rooms, purchase of the land and building known as the McKay Parcel, development of low-income

housing, or renovation of the center, and those expenditures authorized under RCW 67.40.170 shall be deposited in the state convention and trade center account hereby created in the state treasury and in such subaccounts as are deemed appropriate by the directors of the corporation.

(2) Moneys in the account, including unanticipated revenues under RCW 43.79.270, shall be used exclusively for the following purposes in the following priority:

(a) For reimbursement of the state general fund under RCW 67.40.060;

(b) After appropriation by statute:

(i) For payment of expenses incurred in the issuance and sale of the bonds issued under RCW 67.40.030;

(ii) For expenditures authorized in RCW 67.40.170, and during the ((2007-2009)) 2009-2011 fiscal biennium, the legislature may transfer from the state convention and trade center account ((to the Washington housing trust account such amounts as reflect the excess fund balance in the account; and during the 2007-2009 biennium, the legislature may transfer from the state convention and trade center account)) to the general fund such amounts as reflect the excess fund balance in the account;

(iii) For acquisition, design, and construction of the state convention and trade center;

(iv) For debt service for the acquisition, design, and construction and retrofit of the museum of history and industry museum property or other future expansions of the convention center as approved by the legislature; and

(v) For reimbursement of any expenditures from the state general fund in support of the state convention and trade center; and

(c) For transfer to the state convention and trade center operations account.

(3) The corporation shall identify with specificity those facilities of the state convention and trade center that are to be financed with proceeds of general obligation bonds, the interest on which is intended to be excluded from gross income for federal income tax purposes. The corporation shall not permit the extent or manner of private business use of those bond-financed facilities to be inconsistent with treatment of such bonds as governmental bonds under applicable provisions of the Internal Revenue Code of 1986, as amended.

(4) In order to ensure consistent treatment of bonds authorized under RCW 67.40.030 with applicable provisions of the Internal Revenue Code of 1986, as amended, and notwithstanding RCW 43.84.092, investment earnings on bond proceeds deposited in the state convention and trade center account in the state treasury shall be retained in the account, and shall be expended by the corporation for the purposes authorized under chapter 386, Laws of 1995 and in a manner consistent with applicable provisions of the Internal Revenue Code of 1986, as amended.

(5) Subject to the conditions in subsection (6) of this section, starting in fiscal year 2008, and except for the 2009-2011 fiscal biennium in which no transfers shall be made, the state treasurer shall transfer:

(a) The sum of four million dollars, or as much as may be available pursuant to conditions set forth in this section, from the state convention and

trade center account to the tourism enterprise account, with the maximum transfer being four million dollars per fiscal year; and

(b) The sum of five hundred thousand dollars, or as much as may be available pursuant to conditions set forth in this section, from the state convention and trade center account to the tourism development and promotion account, with the maximum transfer being five hundred thousand dollars per fiscal year.

(6)(a) Funds required for debt service payments and reserves for bonds issued under RCW 67.40.030; for debt service authorized under RCW 67.40.170; and for the issuance and sale of financial instruments associated with the acquisition, design, construction, and retrofit of the museum of history and industry museum property or for other future expansions of the center, as approved by the legislature, shall be maintained within the state convention and trade center account.

(b) Except for during the 2009-2011 fiscal biennium, during which no reserve shall be retained, no less than six million one hundred fifty thousand dollars per year shall be retained in the state convention and trade center account for funding capital maintenance as required by the center's long-term capital plan, facility enhancements, unanticipated replacements, and operating reserves for the convention center operation. This amount shall be escalated annually as follows:

(i) Four percent for annual inflation for capital maintenance, repairs, and replacement;

(ii) An additional two percent for enhancement to the facility; and

(iii) An additional three percent for growth in expenditure due to aging of the facility and the need to maintain an operating reserve.

(c) Sufficient funds shall be reserved within the state convention and trade center account to fund operating appropriations for the annual operation of the convention center.

*Sec. 948 was vetoed. See message at end of chapter.

Sec. 949. RCW 67.70.190 and 2005 c 427 s 2 are each amended to read as follows:

Unclaimed prizes shall be retained in the state lottery account for the person entitled thereto for one hundred eighty days after the drawing in which the prize is won, or after the official end of the game for instant prizes. If no claim is made for the prize within this time, all rights to the prize shall be extinguished, and the prize shall be retained in the state lottery fund for further use as prizes, except that one-third of all unclaimed prize money shall be deposited in the economic development strategic reserve account created in RCW 43.330.250.

On July 1, 2009, June 30, 2010, and June 30, 2011, all unclaimed prize money retained in the state lottery fund in excess of three million dollars, excluding amounts distributed to the economic development strategic reserve account, shall be transferred into the state general fund.

Sec. 950. RCW 70.93.180 and 2005 c 518 s 939 are each amended to read as follows:

(1) There is hereby created an account within the state treasury to be known as the "waste reduction, recycling, and litter control account". Moneys in the account may be spent only after appropriation. Expenditures from the waste reduction, recycling, and litter control account shall be used as follows:

(a) Fifty percent to the department of ecology, for use by the departments of ecology, natural resources, revenue, transportation, and corrections, and the parks and recreation commission, for use in litter collection programs, to be distributed under RCW 70.93.220. The amount to the department of ecology shall also be used for a central coordination function for litter control efforts statewide, for the biennial litter survey under RCW 70.93.200(8), and for statewide public awareness programs under RCW 70.93.200(7). The amount to the department shall also be used to defray the costs of administering the funding, coordination, and oversight of local government programs for waste reduction, litter control, and recycling, so that local governments can apply one hundred percent of their funding to achieving program goals. The amount to the department of revenue shall be used to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

(b) Twenty percent to the department for local government funding programs for waste reduction, litter control, and recycling activities by cities and counties under RCW 70.93.250, to be administered by the department of ecology; and

(c) Thirty percent to the department of ecology for waste reduction and recycling efforts.

(2) All taxes imposed in RCW 82.19.010 and fines and bail forfeitures collected or received pursuant to this chapter shall be deposited in the waste reduction, recycling, and litter control account and used for the programs under subsection (1) of this section.

(3) Not less than five percent and no more than ten percent of the amount appropriated into the waste reduction, recycling, and litter control account every biennium shall be reserved for capital needs, including the purchase of vehicles for transporting crews and for collecting litter and solid waste. Capital funds shall be distributed among state agencies and local governments according to the same criteria provided in RCW 70.93.220 for the remainder of the funds, so that the most effective waste reduction, litter control, and recycling programs receive the most funding. The intent of this subsection is to provide funds for the purchase of equipment that will enable the department to account for the greatest return on investment in terms of reaching a zero litter goal.

(4) During the ~~((2005-2007))~~ 2009-2011 fiscal biennium, the legislature may transfer from the waste reduction, recycling, and litter control account to the state general fund such amounts as reflect the excess fund balance of the account. For purposes of subsection (1) of this section, this transfer shall be treated as an expenditure for litter collection.

Sec. 951. RCW 70.105D.070 and 2008 c 329 s 921, 2008 c 329 s 920, 2008 c 329 s 919, and 2008 c 328 s 6009 are each reenacted and amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2) The following moneys shall be deposited into the state toxics control account: (a) Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-three one-hundredths of one percent; (b) the costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (c) penalties collected or recovered under this chapter; and (d) any other money appropriated or transferred to the

account by the legislature. Moneys in the account may be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(i) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(ii) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(iii) The hazardous waste cleanup program required under this chapter;

(iv) State matching funds required under the federal cleanup law;

(v) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) State government programs for the safe reduction, recycling, or disposal of hazardous wastes from households, small businesses, and agriculture;

(vii) Hazardous materials emergency response training;

(viii) Water and environmental health protection and monitoring programs;

(ix) Programs authorized under chapter 70.146 RCW;

(x) A public participation program, including regional citizen advisory committees;

(xi) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with cleanup standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both (A) a substantially more expeditious or enhanced cleanup than would otherwise occur, and (B) the prevention or mitigation of unfair economic hardship; ~~((and))~~

(xii) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150; and

(xiii) During the 2009-2011 fiscal biennium, shoreline update technical assistance.

(3) The following moneys shall be deposited into the local toxics control account: Those revenues which are raised by the tax imposed under RCW 82.21.030 and which are attributable to that portion of the rate equal to thirty-seven one-hundredths of one percent.

(a) Moneys deposited in the local toxics control account shall be used by the department for grants or loans to local governments for the following purposes in descending order of priority:

(i) Remedial actions;

(ii) Hazardous waste plans and programs under chapter 70.105 RCW;

(iii) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(iv) Funds for a program to assist in the assessment and cleanup of sites of methamphetamine production, but not to be used for the initial containment of such sites, consistent with the responsibilities and intent of RCW 69.50.511; and

(v) Cleanup and disposal of hazardous substances from abandoned or derelict vessels, defined for the purposes of this section as vessels that have little or no value and either have no identified owner or have an identified owner

lacking financial resources to clean up and dispose of the vessel, that pose a threat to human health or the environment.

(b) Funds for plans and programs shall be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that is a Puget Sound partner, as defined in RCW 90.71.010, along with any project that is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, shall, except as conditioned by RCW 70.105D.120, receive priority for any available funding for any grant or funding programs or sources that use a competitive bidding process. During the 2007-2009 fiscal biennium, moneys in the account may also be used for grants to local governments to retrofit public sector diesel equipment and for storm water planning and implementation activities.

~~(c) ((Funds may also be appropriated to the department of health to implement programs to reduce testing requirements under the federal safe drinking water act for public water systems. The department of health shall reimburse the account from fees assessed under RCW 70.119A.115 by June 30, 1995.~~

~~(d))~~ To expedite cleanups throughout the state, the department shall partner with local communities and liable parties for cleanups. The department is authorized to use the following additional strategies in order to ensure a healthful environment for future generations:

(i) The director may alter grant-matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of vacant, orphaned, or abandoned property under RCW 70.105D.040(5) that would not otherwise occur;

(ii) The use of outside contracts to conduct necessary studies;

(iii) The purchase of remedial action cost-cap insurance, when necessary to expedite multiparty clean-up efforts.

(4) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(5) Except during the 2009-2011 fiscal biennium, one percent of the moneys deposited into the state and local toxics control accounts shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. ~~((However, during the 1999-2001 fiscal biennium, funding may not be granted to entities engaged in lobbying activities, and applicants may not be awarded~~

~~grants if their cumulative grant awards under this section exceed two hundred thousand dollars.))~~ No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation from either account which are not expended at the close of any biennium shall revert to the state toxics control account.

(6) No moneys deposited into either the state or local toxics control account may be used for solid waste incinerator feasibility studies, construction, maintenance, or operation, or, after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(7) The department shall adopt rules for grant or loan issuance and performance.

(8) During the 2007-2009 and 2009-2011 fiscal ~~((biennium))~~ biennia, the legislature may transfer from the local toxics control account to ~~((the state toxics control))~~ either the state general fund or the oil spill prevention account, or both such amounts as reflect excess fund balance in the account.

(9) During the ~~((2007-2009))~~ 2009-2011 fiscal biennium, the local toxics control account may also be used for a standby rescue tug at Neah Bay, local government shoreline update grants, private and public sector diesel equipment retrofit, and oil spill prevention, preparedness, and response activities.

(10) During the 2009-2011 fiscal biennium, the legislature may transfer from the state toxics control account to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 952. RCW 71.24.310 and 2006 c 333 s 107 are each amended to read as follows:

The legislature finds that administration of chapter 71.05 RCW and this chapter can be most efficiently and effectively implemented as part of the regional support network defined in RCW 71.24.025. For this reason, the legislature intends that the department and the regional support networks shall work together to implement chapter 71.05 RCW as follows:

(1) By June 1, 2006, regional support networks shall recommend to the department the number of state hospital beds that should be allocated for use by each regional support network. The statewide total allocation shall not exceed the number of state hospital beds offering long-term inpatient care, as defined in this chapter, for which funding is provided in the biennial appropriations act.

(2) If there is consensus among the regional support networks regarding the number of state hospital beds that should be allocated for use by each regional support network, the department shall contract with each regional support network accordingly.

(3) If there is not consensus among the regional support networks regarding the number of beds that should be allocated for use by each regional support network, the department shall establish by emergency rule the number of state hospital beds that are available for use by each regional support network. The emergency rule shall be effective September 1, 2006. The primary factor used in the allocation shall be the estimated number of ~~((acutely and chronically mentally ill))~~ adults with acute and chronic mental illness in each regional support network area, based upon population-adjusted incidence and utilization.

(4) The allocation formula shall be updated at least every three years to reflect demographic changes, and new evidence regarding the incidence of acute and chronic mental illness and the need for long-term inpatient care. In the updates, the statewide total allocation shall include (a) all state hospital beds offering long-term inpatient care for which funding is provided in the biennial appropriations act; plus (b) the estimated equivalent number of beds or comparable diversion services contracted in accordance with subsection (5) of this section.

(5) The department is encouraged to enter performance-based contracts with regional support networks to provide some or all of the regional support network's allocated long-term inpatient treatment capacity in the community, rather than in the state hospital. The performance contracts shall specify the number of patient days of care available for use by the regional support network in the state hospital.

(6) If a regional support network uses more state hospital patient days of care than it has been allocated under subsection (3) or (4) of this section, or than it has contracted to use under subsection (5) of this section, whichever is less, it shall reimburse the department for that care. The reimbursement rate per day shall be the hospital's total annual budget for long-term inpatient care, divided by the total patient days of care assumed in development of that budget.

(7) One-half of any reimbursements received pursuant to subsection (6) of this section shall be used to support the cost of operating the state hospital and during calendar year 2009, implementing new services that will enable a regional support network to reduce its utilization of the state hospital. The department shall distribute the remaining half of such reimbursements among regional support networks that have used less than their allocated or contracted patient days of care at that hospital, proportional to the number of patient days of care not used.

Sec. 953. RCW 74.08A.340 and 2008 c 329 s 922 are each amended to read as follows:

The department of social and health services shall operate the Washington WorkFirst program authorized under RCW 74.08A.200 through 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW within the following constraints:

(1) The full amount of the temporary assistance for needy families block grant, plus qualifying state expenditures as appropriated in the biennial operating budget, shall be appropriated to the department each year in the biennial appropriations act to carry out the provisions of the program authorized in RCW 74.08A.200 through 74.08A.330, 43.330.145, 43.215.545, and 74.25.040, and chapter 74.12 RCW.

(2)(a) The department may expend funds defined in subsection (1) of this section in any manner that will effectively accomplish the outcome measures defined in RCW 74.08A.410 with the following exception: Beginning with the 2007-2009 biennium, funds that constitute the working connections child care program, child care quality programs, and child care licensing functions.

(b) Beginning in the 2007-2009 fiscal biennium, the legislature shall appropriate and the departments of early learning and social and health services shall expend funds defined in subsection (1) of this section that constitute the working connections child care program, child care quality programs, and child

care licensing functions in a manner that is consistent with the outcome measures defined in RCW 74.08A.410.

(c) No more than fifteen percent of the amount provided in subsection (1) of this section may be spent for administrative purposes. For the purpose of this subsection, "administrative purposes" does not include expenditures for information technology and computerization needed for tracking and monitoring required by P.L. 104-193. The department shall not increase grant levels to recipients of the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW, except as authorized in the omnibus appropriations act for the ((2007-2009)) 2009-2011 biennium.

(3) The department shall implement strategies that accomplish the outcome measures identified in RCW 74.08A.410 that are within the funding constraints in this section. Specifically, the department shall implement strategies that will cause the number of cases in the program authorized in RCW 74.08A.200 through 74.08A.330 and 43.330.145 and chapter 74.12 RCW to decrease by at least fifteen percent during the 1997-99 biennium and by at least five percent in the subsequent biennium. The department may transfer appropriation authority between funding categories within the economic services program in order to carry out the requirements of this subsection.

(4) The department shall monitor expenditures against the appropriation levels provided for in subsection (1) of this section. The department shall quarterly make a determination as to whether expenditure levels will exceed available funding and communicate its finding to the legislature. If the determination indicates that expenditures will exceed funding at the end of the fiscal year, the department shall take all necessary actions to ensure that all services provided under this chapter shall be made available only to the extent of the availability and level of appropriation made by the legislature.

Sec. 954. RCW 74.13.621 and 2005 c 439 s 1 are each amended to read as follows:

(1) Within existing resources, the department shall establish an oversight committee to monitor, guide, and report on kinship care recommendations and implementation activities. The committee shall:

(a) Draft a kinship care definition that is restricted to persons related by blood, marriage, or adoption, including marriages that have been dissolved, or for a minor defined as an "Indian child" under the federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the definition of "extended family member" under the federal Indian child welfare act, and a set of principles. If the committee concludes that one or more programs or services would be more efficiently and effectively delivered under a different definition of kin, it shall state what definition is needed, and identify the program or service in the report. It shall also provide evidence of how the program or service will be more efficiently and effectively delivered under the different definition. The department shall not adopt rules or policies changing the definition of kin without authorizing legislation;

(b) Monitor and provide consultation on the implementation of recommendations contained in the 2002 kinship care report, including but not limited to the recommendations relating to legal and respite care services and resources;

(c) Partner with nonprofit organizations and private sector businesses to guide a public education awareness campaign; and

(d) Assist with developing future recommendations on kinship care issues.

(2) The department shall consult with the oversight committee on its efforts to better collaborate and coordinate services to benefit kinship care families.

(3) The oversight committee must consist of a minimum of thirty percent kinship caregivers, who shall represent a diversity of kinship families. Statewide representation with geographic, ethnic, and gender diversity is required. Other members shall include representatives of the department, representatives of relevant state agencies, representatives of the private nonprofit and business sectors, child advocates, representatives of Washington state Indian tribes as defined under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and representatives of the legal or judicial field. Birth parents, foster parents, and others who have an interest in these issues may also be included.

(4) To the extent funding is available, the department may reimburse nondepartmental members of the oversight committee for costs incurred in participating in the meetings of the oversight committee.

(5) The kinship care oversight committee shall update the legislature and governor annually on committee activities, with the first update due by January 1, 2006.

(6) This section expires (~~January 1, 2010~~) June 30, 2011.

***Sec. 955. RCW 77.12.820 and 1997 c 422 s 5 are each amended to read as follows:**

The eastern Washington pheasant enhancement account is created in the custody of the state treasurer. All receipts under RCW 77.12.810 must be deposited in the account. Moneys in the account are subject to legislative appropriation and shall be used for the purpose of funding the eastern Washington pheasant enhancement program. The department may use moneys from the account to improve pheasant habitat or to purchase or produce pheasants. Except as otherwise provided in the omnibus appropriations act for the 2009-2011 fiscal biennium, not less than eighty percent of expenditures from the account must be used to purchase or produce pheasants. The eastern Washington pheasant enhancement account funds must not be used for the purchase of land. The account may be used to offer grants to improve pheasant habitat on public or private lands that are open to public hunting. The department may enter partnerships with private landowners, nonprofit corporations, cooperative groups, and federal or state agencies for the purposes of pheasant habitat enhancement in areas that will be available for public hunting.

***Sec. 955 was vetoed. See message at end of chapter**

Sec. 956. RCW 77.32.010 and 2008 c 329 s 923 are each amended to read as follows:

(1) Except as otherwise provided in this chapter, a recreational license issued by the director is required to hunt for or take wild animals or wild birds, fish for, take, or harvest fish, shellfish, and seaweed. A recreational fishing or shellfish license is not required for carp, smelt, and crawfish, and a hunting license is not required for bullfrogs.

(2) A permit issued by the department is required to park a motor vehicle upon improved department access facilities.

(3) During the ((2007-09)) 2009-2011 fiscal biennium to enable the implementation of the pilot project established in section 307, chapter 329, Laws of 2008, a fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirements in subsection (1) of this section on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods, and a Colville Tribes tribal member identification card shall satisfy the license requirements in subsection (1) of this section on all waters of Lake Rufus Woods.

Sec. 957. RCW 79.64.040 and 2007 c 522 s 958 are each amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received from all leases, sales, contracts, licenses, permits, easements, and rights-of-way issued by the department and affecting state lands and aquatic lands, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsection (5) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second-class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second-class tide and shore lands and the beds of navigable waters.

(4) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(5) During the ((2007-2009)) 2009-2011 fiscal biennium, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board(~~(, provided the total amount deducted does not exceed the total appropriations in the operating and capital budgets for the fiscal period. At the end of the fiscal period, any amounts deducted in excess of the appropriations shall be transferred to the appropriate beneficiary distribution accounts))~~).

Sec. 958. RCW 79A.25.080 and 2007 c 241 s 44 are each amended to read as follows:

(1) Moneys transferred to the recreation resource account from the marine fuel tax refund account may be used when appropriated by the legislature, as well as any federal or other funds now or hereafter available, to pay the office and necessary administrative and coordinative costs of the recreation and conservation funding board established by RCW 79A.25.110. All moneys so transferred, except those appropriated as aforesaid, shall be divided into two equal shares and shall be used to benefit watercraft recreation in this state as follows:

~~((4))~~ (a) One share as grants to state agencies for ~~((a))~~ (i) acquisition of title to, or any interests or rights in, marine recreation land, ~~((b))~~ (ii) capital improvement and renovation of marine recreation land, including periodic dredging in accordance with subsection ~~((3))~~ (2) of this section, if needed, to maintain or make the facility more useful, or ~~((c))~~ (iii) matching funds in any case where federal or other funds are made available on a matching basis for purposes described in (a)(i) or ~~((b))~~ (ii) of this subsection;

~~((2))~~ (b) One share as grants to public bodies to help finance ~~((a))~~ (i) acquisition of title to, or any interests or rights in, marine recreation land, or ~~((b))~~ (ii) capital improvement and renovation of marine recreation land, including periodic dredging in accordance with subsection ~~((3))~~ (2) of this section, if needed, to maintain or make the facility more useful. A public body is authorized to use a grant, together with its own contribution, as matching funds in any case where federal or other funds are made available for purposes described in (a)(i) or ~~((b))~~ (ii) of this subsection. The board may prescribe further terms and conditions for the making of grants in order to carry out the purposes of this chapter.

~~((3))~~ (2) For the purposes of this section "periodic dredging" is limited to dredging of materials that have been deposited in a channel due to unforeseen events. This dredging should extend the expected usefulness of the facility for at least five years.

(3) During the 2009-2011 fiscal biennium, the legislature may appropriate such amounts as reflect the excess fund balance in the recreation resource account to the state parks and recreation commission for maintenance and operation of parks and to improve accessibility for boaters and off-road vehicle users. This appropriation is not required to follow the specific distribution specified in subsection (1)(a) and (b) of this section.

Sec. 959. RCW 79.105.150 and 2008 c 299 s 28 are each amended to read as follows:

(1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects. During the 2009-11 fiscal biennium, the legislature may transfer from the aquatic lands enhancement account to the state general fund such amounts as reflect excess fund balance of the account.

(2) In providing grants for aquatic lands enhancement projects, the recreation and conservation funding board shall:

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

(b) Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the applicant is a Puget Sound partner, as defined in RCW 90.71.010, whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and

except as otherwise provided in RCW 79.105.630, and effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the applicant is an entity that has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030 in its prioritization and selection process; and

(c) Develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the grants.

(3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.

(4) The department shall consult with affected interest groups in implementing this section.

(5) After January 1, 2010, any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 960. RCW 80.36.430 and 2004 c 254 s 2 are each amended to read as follows:

(1) The Washington telephone assistance program shall be funded by a telephone assistance excise tax on all switched access lines and by funds from any federal government or other programs for this purpose. Switched access lines are defined in RCW 82.14B.020. The telephone assistance excise tax shall be applied equally to all residential and business access lines not to exceed fourteen cents per month. The department shall submit an approved annual budget for the Washington telephone assistance program to the department of revenue no later than March 1st prior to the beginning of each fiscal year. The department of revenue shall then determine the amount of telephone assistance excise tax to be placed on each switched access line and shall inform local exchange companies and the utilities and transportation commission of this amount no later than May 1st. The department of revenue shall determine the amount of telephone assistance excise tax by dividing the total of the program budget funded by the telephone assistance excise tax, as submitted by the department, by the total number of switched access lines in the prior calendar year. The telephone assistance excise tax shall be separately identified on each ratepayer's bill as the "Washington telephone assistance program." All money collected from the telephone assistance excise tax shall be transferred to a telephone assistance fund administered by the department.

(2) Local exchange companies shall bill the fund for their expenses incurred in offering the telephone assistance program, including administrative and program expenses. The department shall disburse the money to the local exchange companies. The department is exempted from having to conclude a contract with local exchange companies in order to effect this reimbursement. The department shall recover its administrative costs from the fund. The department may specify by rule the range and extent of administrative and program expenses that will be reimbursed to local exchange companies.

(3) The department shall enter into an agreement with the department of community, trade, and economic development for an amount not to exceed eight percent of the prior fiscal year's total revenue for the administrative and program

expenses of providing community service voice mail services. The community service voice mail service may include toll-free lines in community action agencies through which recipients can access their community service voice mailboxes at no charge.

(4) During the 2009-2011 biennium, the department shall enter into an agreement with the military department for one million dollars to support the WIN 211 program.

Sec. 961. RCW 86.26.007 and 2005 c 518 s 947 are each amended to read as follows:

The flood control assistance account is hereby established in the state treasury. At the beginning of the 2005-2007 fiscal biennium, the state treasurer shall transfer three million dollars from the general fund to the flood control assistance account. Each biennium thereafter the state treasurer shall transfer four million dollars from the general fund to the flood control assistance account, except that during the 2009-2011 fiscal biennium, the state treasurer shall transfer two million dollars from the general fund to the flood control assistance account. Moneys in the flood control assistance account may be spent only after appropriation for purposes specified under this chapter.

NEW SECTION. **Sec. 962.** Section 940 of this act expires June 30, 2011.

NEW SECTION. **Sec. 963.** Section 946 of this act expires June 30, 2016.

PART X GENERAL GOVERNMENT

Sec. 1001. 2009 c 4 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund—State Appropriation (FY 2008)	\$34,807,000
General Fund—State Appropriation (FY 2009)	(\$35,053,000))
	<u>\$35,483,000</u>
Pension Funding Stabilization Account	
Appropriation.	\$560,000
TOTAL APPROPRIATION	(\$70,420,000))
	<u>\$70,850,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$56,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Senate Bill No. 5926 (construction industry). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) \$52,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the implementation of Third Substitute House Bill No. 1741 (oral history). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(3) \$194,000 of the general fund—state appropriation for fiscal year 2008 and \$194,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the legislature to contract for an independent economic and actuarial analysis of health care reform proposals pursuant to Engrossed Substitute Senate Bill No. 6333. The results of this evaluation will be submitted

to the governor, the health and fiscal policy committees of the legislature, and the work group by December 15, 2008.

Sec. 1002. 2009 c 4 s 110 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2008)	\$16,092,000
General Fund—State Appropriation (FY 2009)	(((\$16,765,000))
	<u>\$16,813,000</u>
TOTAL APPROPRIATION	(((\$32,857,000))
	<u>\$32,905,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for chapter 34, Laws of 2007 (Senate Bill No. 5351, court of appeals judges' travel).

(2) In addition to other reductions, the reduced appropriations in this section reflect an additional \$376,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1003. 2009 c 4 s 112 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2008)	\$30,659,000
General Fund—State Appropriation (FY 2009)	(((\$33,239,000))
	<u>\$33,294,000</u>
Public Safety and Education Account—State Appropriation (FY 2008)	\$22,558,000
Public Safety and Education Account—State Appropriation (FY 2009)	(((\$23,694,000))
	<u>\$23,713,000</u>
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2008)	\$3,175,000
Equal Justice Subaccount of the Public Safety and Education Account—State Appropriation (FY 2009)	\$3,175,000
Judicial Information Systems Account—State Appropriation	\$40,923,000
TOTAL APPROPRIATION	(((\$157,423,000))
	<u>\$157,497,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,900,000 of the general fund—state appropriation for fiscal year 2008 and \$3,900,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for court-appointed special advocates in dependency matters. The administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-

appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs. Funding distributed in this subsection shall not be used to supplant existing local funding for the court-appointed special advocates program.

(2) \$300,000 of the general fund—state appropriation for fiscal year 2008, \$300,000 of the general fund—state appropriation for fiscal year 2009, \$1,500,000 of the public safety and education account—state appropriation for fiscal year 2008, and \$1,500,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The office of the administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(3)(a) \$1,640,000 of the general fund—state appropriation for fiscal year 2008, \$1,641,000 of the general fund—state appropriation for fiscal year 2009, \$6,612,000 of the public safety and education account—state appropriation for fiscal year 2008, and \$6,612,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2007-09 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(4) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

(5) \$325,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the completion of the juror pay pilot and research project.

(6) \$830,000 of the general fund—state appropriation for fiscal year 2008 and \$1,170,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for improving interpreter services at the trial court level.

(a) Of these amounts, \$170,000 for fiscal year 2008 and \$170,000 for fiscal year 2009 are provided solely to assist trial courts in developing and implementing language assistance plans. The administrator of the courts, in consultation with the interpreter commission, shall adopt language assistance plan standards consistent with chapters 2.42 and 2.43 RCW. The standards shall include guidelines on local community input, provisions on notifying court users on the right and methods to obtain an interpreter, information on training for judges and court personnel, procedures for identifying and appointing an interpreter, access to translations of commonly used forms, and processes to evaluate the development and implementation of the plan.

(b) Of these amounts, \$610,000 for fiscal year 2008 and \$950,000 for fiscal year 2009 are provided solely to assist trial courts with interpreter services. In order to be eligible for assistance, a trial court must have completed a language assistance plan consistent with the standards established in (a) of this subsection that is approved by the administrator of the courts and submit the amounts spent annually on interpreter services for fiscal years 2005, 2006, and 2007. The funding in this subsection (b) shall not be used to supplant existing funding and cannot be used for any purpose other than assisting trial courts with interpreter services. At the end of the fiscal year, recipients shall report to the administrator of the court the amount the trial court spent on interpreter services.

(c) \$50,000 for fiscal year 2008 and \$50,000 for fiscal year 2009 are provided solely to the administrator of the courts for administration of this subsection. By December 1, 2009, the administrator of the courts shall report to the appropriate policy and fiscal committees of the legislature: (i) The number of trial courts in the state that have completed a language assistance plan; (ii) the number of trial courts in the state that have not completed a language assistance plan; (iii) the number of trial courts in the state that received assistance under this subsection, the amount of the assistance, and the amount each trial court spent on interpreter services for fiscal years 2005 through 2008 and fiscal year 2009 to date.

(7) \$443,000 of the general fund—state appropriation for fiscal year 2008 and \$543,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Within the amounts provided:

(a) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for developing training materials for the family court liaisons.

(b) \$43,000 of the general fund—state appropriation for fiscal year 2008 and \$43,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for reimbursement costs related to the family law handbook;

(c) \$350,000 of the general fund—state appropriation for fiscal year 2008 and \$350,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for distribution to counties to provide guardian ad litem services for the indigent for a reduced or waived fee;

(d) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for implementing the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution).

(8)(a) \$20,458,000 of the judicial information systems account—state appropriation is provided solely for the development and implementation of the core case management system. In expending the funds provided within this subsection, the following conditions must first be satisfied before any subsequent funds may be expended:

(i) Completion of feasibility studies detailing linkages between the objectives of the core case management system and the following: The technology efforts required and the impacts of the new investments on existing infrastructure and business functions, including the estimated fiscal impacts to the judicial information systems account and the near general fund accounts; the alignment of critical system requirements of varying size courts at the municipal, district, and superior court level with their respective proposed business processes resulting from business process engineering, and detail on the costs and other impacts to the courts for providing critical business requirements not addressed by new common business processes; the specific requirements and business process needs of state agencies dependent on data exchange with the judicial information system; and the results from a proof of implementation phase; and

(ii) Discussion with and presentation to the department of information systems and the information services board regarding the impact on the state agencies dependent on successful data exchange with the judicial information system and the results of the feasibility studies.

(b) The judicial information systems committee shall provide quarterly updates to the appropriate committees of the legislature and the department of information systems on the status of implementation of the core case management system.

(c) The legislature respectfully requests the judicial information systems committee invite representatives from the state agencies dependent on successful data exchange to their regular meetings for consultation as nonvoting members.

(9) \$534,000 of the general fund—state appropriation for fiscal year 2008 and \$949,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Substitute Senate Bill No. 5320 (public guardianship office). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) \$29,000 of the general fund—state appropriation for fiscal year 2008 and \$102,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the twenty-third superior court judge position in Pierce county. The funds appropriated in this subsection shall be expended only if the judge is appointed and serving on the bench.

(11) \$800,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement Second Substitute House Bill No. 2822 (family and juvenile court). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) \$90,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement Second Substitute House Bill No. 2903 (access coordinator). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(13) In addition to other reductions, the reduced appropriations in this section reflect an additional \$207,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(14) \$55,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the 53rd superior court judge position in King county. The amounts provided in this subsection shall be expended only if the judge is appointed and serving on the bench.

Sec. 1004. 2009 c 4 s 118 (unmodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2008)	\$33,863,000
General Fund—State Appropriation (FY 2009)	(\$20,782,000)
	<u>\$21,205,000</u>
General Fund—Federal Appropriation	\$7,279,000
General Fund—Private/Local Appropriation	\$132,000
Archives and Records Management Account—State Appropriation	(\$8,337,000)
	<u>\$8,442,000</u>
Department of Personnel Service Account—State Appropriation	\$760,000
Local Government Archives Account—State Appropriation	\$15,342,000
<u>Election Account—State Appropriation</u>	<u>\$228,000</u>
Election Account—Federal Appropriation	\$31,511,000
Charitable Organization Education Account—State Appropriation	\$122,000
TOTAL APPROPRIATION	(\$118,128,000)
	<u>\$118,884,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$13,290,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2) \$2,556,000 of the general fund—state appropriation for fiscal year 2008 and \$3,965,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$118,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for legal advertising of state measures under RCW 29A.52.330.

(4)(a) \$2,465,000 of the general fund—state appropriation for fiscal year 2008 and \$2,501,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for contracting with a nonprofit organization to

produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2007-09 biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(5) \$45,000 of the general fund—state appropriation for fiscal year 2008 and \$45,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for humanities Washington's "we the people" community conversations program.

(6) \$575,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for settlement costs and attorney fees resulting from the resolution of *Washington Association of Churches, et al. v. Reed*, United States District Court Western District of Washington at Seattle, Case No. CV06-0726RSM.

Sec. 1005. 2009 c 4 s 124 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2008)	\$6,262,000
General Fund—State Appropriation (FY 2009)	\$5,541,000
General Fund—Federal Appropriation	\$3,960,000
Public Safety and Education Account—State Appropriation (FY 2008)	\$1,143,000
Public Safety and Education Account—State Appropriation (FY 2009)	\$1,228,000
New Motor Vehicle Arbitration Account—State Appropriation	\$1,312,000

Legal Services Revolving Account—State	
Appropriation.....	((\$229,579,000))
	<u>\$231,391,000</u>
Tobacco Prevention and Control Account—State	
Appropriation.....	\$270,000
TOTAL APPROPRIATION.....	((\$249,295,000))
	<u>\$251,107,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

(3) \$9,446,000 of the legal services revolving account—state appropriation is provided solely for increases in salaries and benefits of assistant attorneys general effective July 1, 2007. This funding is provided solely for increases to address critical recruitment and retention problems, and shall not be used for the performance management program or to fund general administration. The attorney general shall report to the office of financial management and the fiscal committees of the senate and house of representatives by October 1, 2008, and provide detailed demographic information regarding assistant attorneys general who received increased salaries and benefits as a result of the appropriation. The report shall include at a minimum information regarding the years of service, division assignment within the attorney general's office, and client agencies represented by assistant attorneys general receiving increased salaries and benefits as a result of the amount provided in this subsection. The report shall include a proposed salary schedule for all assistant attorneys general using the same factors used to determine increased salaries under this section. The report shall also provide initial findings regarding the effect of the increases on recruitment and retention of assistant attorneys general.

(4) \$69,000 of the legal services revolving fund—state appropriation is provided solely for Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$44,000 of the legal services revolving fund—state appropriation is provided solely for Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(6) \$110,000 of the legal services revolving account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 3274 (port district contracting). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(7) \$346,000 of the legal services revolving account—state appropriation is provided solely for implementation of sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(8) \$492,000 of the legal services revolving account—state appropriation is provided solely for implementation of Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(9) The agency shall submit a staffing model that supports the need for increased resources due to casework associated with the sexually violent predator population to the office of financial management and the fiscal committees of the legislature by October 31, 2008.

(10) The attorney general shall deposit to the health services account at least \$680,000 from the *cy pres* monetary portion of the consent decree in settlement of the consumer protection act litigation against Caremark Rx, LLC (King county superior court cause no. 08-2-06098-5). These moneys shall be expended pursuant to legislative appropriation consistent with the terms of the consent decree.

Sec. 1006. 2009 c 4 s 128 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2008)	\$24,110,000
General Fund—State Appropriation (FY 2009)	(\$33,485,000))
	<u>\$33,835,000</u>
General Fund—Federal Appropriation	\$23,934,000
General Fund—Private/Local Appropriation	\$1,269,000
State Auditing Services Revolving Account—State Appropriation	\$25,000
Violence Reduction and Drug Enforcement Account— State Appropriation (FY 2008)	\$123,000
Economic Development Strategic Reserve Account— State Appropriation	\$175,000
TOTAL APPROPRIATION	(\$83,121,000))
	<u>\$83,471,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$33,000 of the general fund—state appropriation for fiscal year 2008 and \$58,000 of the general fund—state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to continue the agricultural pilot programs that identify projects to enhance farm income and improve natural resource protection. Specific work will include project outreach and refinement, stakeholder support, staffing the oversight committee, seeking federal and private match funding, and further refining the list of projects to be recommended for funding.

(2) \$155,000 of the general fund—state appropriation for fiscal year 2008 and \$254,000 of the general fund—state appropriation for fiscal year 2009 are provided for a contract with the Ruckelshaus center to fund "proof-of-concept" model and projects recommended by the oversight committee, as provided in subsection (1) of this section.

(3) \$580,000 of the general fund—state appropriation for fiscal year 2008 and \$505,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the association of Washington cities and the Washington state association of counties for improving project permitting and mitigation processes.

(4) \$320,000 of the general fund—state appropriation for fiscal year 2008 and \$270,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the office of regulatory assistance to develop statewide multiagency permits for transportation infrastructure and other projects that integrate local, state, and federal permit requirements and mitigation standards.

(5) \$1,050,000 of the general fund—state appropriation for fiscal year 2008 and \$1,050,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5122 (regulatory assistance programs). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) \$190,000 of the general fund—state appropriation for fiscal year 2008 and \$90,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement chapter 139, Laws of 2007 (student transportation funding) which requires development of two options for a new K-12 pupil transportation funding formula.

(7) \$175,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for financial assistance to local government agencies in counties representing populations of fewer than 350,000 residents for the acquisition and development of streamlined permitting technology infrastructure through an integrated business portal approach. Grant awards may not exceed \$100,000 per local government agency per fiscal year. The funding must be used to acquire and implement permit tracking systems that can support and are compatible with a multijurisdictional, integrated approach. Prior to granting funds, the office of regulatory assistance shall ensure that the proposed systems and technology are based on open-industry standards, allow for future integration of processes and sharing of data, and are extendable.

(8) \$474,000 of the general fund—state appropriation for fiscal year 2008 and \$331,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of sections 50 through 57 (health resources strategy) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(9) \$300,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement section 3 of Substitute Senate Bill No. 5248 (preserving the viability of agricultural lands). Funds are provided for a contract with the Ruckelshaus center to examine conflicts between agriculture activities and critical areas ordinances. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) The education data center within the office of financial management may convene a work group to assess the feasibility, costs, and benefits of a higher education data system that uses privacy-protected student-level data.

(11) \$250,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the office of financial management to establish and

provide staff support for the Washington citizens' work group on health care reform, pursuant to Engrossed Substitute Senate Bill No. 6333.

(12) \$11,372,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the development and implementation of the Washington assessment of student learning (WASL) and related activities and is in addition to the funding amounts provided in section 511 of this act. The funding provided in this subsection is subject to the following conditions and limitations: The office of financial management shall develop an interagency agreement with the office of the superintendent of public instruction for the expenditure of these funds based on a quarterly allotment schedule. Before releasing funds to the office of the superintendent of public instruction each quarter, the office of financial management shall ensure compliance with this subsection. Effective with the 2009 administration of the Washington assessment of student learning, while maintaining the reliability and validity of the assessment, the office of the superintendent of public instruction shall redesign the assessment in the content areas of reading, mathematics, and science in all grades except high school by shortening test administration, reducing the number of short answer and extended response questions, and potentially decreasing the number of items utilized in the assessment, particularly in grades tested under the requirements of the federal no child left behind act. In selecting and developing the new contractual obligations for the assessment contractor beginning in fiscal year 2009, the office of the superintendent of public instruction shall preserve legislative authority to set the student learning assessment policy and potentially make minor or significant changes to that policy in the future with the least amount of adverse fiscal and other impacts to the state as possible. In doing this, the office of the superintendent of public instruction shall advise and consult with the appropriate policy and fiscal committees of the legislature and the Washington assessment of student learning work group created in this subsection. Within the amounts appropriated in this subsection, a legislative work group on the Washington assessment of student learning is established. The work group will consist of a maximum of nine members. Legislative members shall be appointed by the president of the senate and the speaker of the house of representatives and shall represent the two largest caucuses of both the senate and the house of representatives. The purpose of this work group is to review and evaluate the current assessment system by January 1, 2009, and potentially make recommendations to improve it. Of the amount provided in this section, \$150,000 is provided solely for costs associated with hiring independent technical experts to advise the Washington assessment of student learning work group created in this subsection.

(13) Through prior legislation, many state activities that protect the general public by safeguarding health, safety, employees, and consumers are supported by fees assessed on items such as licensing, registration, certification, and inspections. Moreover, higher education, workforce training, and a number of other government services are supported at least in part by fees assessed on those who participate in these programs. Therefore, the office of financial management shall conduct a review and analysis of all fees for which the legislature has delegated to state agencies and institutions of higher education the ability to establish and determine the amount, either upon initial

establishment or subsequent increases. Fees, as used in this subsection, has the same meaning as used in RCW 43.135.055. The objective of the review and analysis is to document the level of fees paid over the past five years, the cost of those programs over that same time period, and, to the extent available, the effectiveness of the activity in meeting its performance targets. The review and analysis shall include the following information:

- (a) Information about the program, including the statutory authority for the program, date enacted, and the parties that benefit from the program; and
- (b) Information about the program fees, including name and description of the fees, the parties that bear the cost of the fees, the methodology for determining the fees, and whether the fees directly fund the program; and
- (c) Financial related information, including an assessment of the program's fee amount assessed over the past five years, the scope of the program and related costs over the past 5 years, and whether the program's expenditures are subject to appropriation or allotment procedures under chapter 43.88 RCW; and
- (d) To the extent available, information on the program activities and related performance measures that may assist in assessing the effectiveness of the program in achieving its goals.

The office of financial management shall report its findings to the governor and the fiscal committees of the legislature by October 1, 2008.

(14) In addition to other reductions, the reduced appropriations in this section reflect an additional \$305,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1007. 2009 c 4 s 129 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account—State

Appropriation.....	(((\$32,702,000))
	<u>\$32,163,000</u>

Sec. 1008. 2009 c 4 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2008).....	\$98,150,000
General Fund—State Appropriation (FY 2009).....	(((\$103,003,000))
	<u>\$97,782,000</u>
Timber Tax Distribution Account—State	
Appropriation.....	\$5,788,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation.....	\$128,000
Waste Tire Removal Account—State Appropriation	\$2,000
Real Estate Excise Tax Grant Account—State	
Appropriation.....	\$3,000,000
State Toxics Control Account—State Appropriation	\$87,000
Oil Spill Prevention Account—State Appropriation	\$16,000

Pension Funding Stabilization Account

Appropriation.....	\$2,370,000
TOTAL APPROPRIATION.....	<u>(((\$212,544,000))</u> <u>\$207,323,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$95,000 of the general fund—state appropriation for fiscal year 2008 and \$71,000 of the general fund—state appropriation for fiscal year 2009 are for the implementation of Substitute House Bill No. 1002 (taxation of vessels). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(2) \$31,000 of the general fund—state appropriation for fiscal year 2008 is for the implementation of Substitute House Bill No. 1891 (prescription drugs). If the bill is not enacted by June 30, 2007, the amount in this subsection shall lapse.

(3)(a) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to conduct a study of the taxation of electronically delivered products. The legislature recognizes that chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007, relates to specific types of electronically delivered products and does not address the taxation of numerous other types of electronically delivered products. Therefore, a policy question remains concerning the sales and use taxation of other electronically delivered products.

(b)(i) To perform the study, the department of revenue shall be assisted by a committee. The committee shall include four legislative members appointed as follows:

(A) The president of the senate shall appoint one member from each of the two largest caucuses of the senate; and

(B) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(ii) The department of revenue shall appoint additional members with balanced representation from different segments of government and industry, and shall consider representation from the following areas: Small and large businesses that generate, deliver, or use electronically delivered products; financial institutions; insurers; persons with expertise in tax law in an academic or private sector setting; and persons experienced in working with computers and electronically delivered products. The department of revenue shall appoint additional members from the department with expertise in the excise taxation of electronically delivered products.

(iii) The committee shall choose its chair from among its membership.

(iv) The department and committee shall review the following issues: The provision of explicit statutory definitions for electronically delivered products; the current excise tax treatment of electronically delivered products in the state of Washington and other states as well as the tax treatment of these products under the streamlined sales and use tax agreement; the administration, costs, and potential recipients of the tax exemptions provided in chapter . . . (Engrossed Substitute House Bill No. 1981), Laws of 2007; and alternatives to the excise taxation of electronically delivered products.

(v) Legislative members of the committee are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members of the committee, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(c) The department shall report its preliminary findings and recommendations to the appropriate fiscal committees of the legislature by November 30, 2007. The department shall provide the final report of its findings and recommendations to the appropriate fiscal committees of the legislature by September 1, 2008.

(4) \$250,000 of the general fund—state appropriation for fiscal year 2009 is for the implementation of Engrossed Substitute Senate Bill No. 6809 (working families tax exemption). If the bill is not enacted by June 30, 2008, the amounts in this subsection shall lapse. This subsection does not constitute approval of the exemption under section 2, chapter . . . (ESSB 6809), Laws of 2008 or authorize payments of remittances.

(5) \$22,000 of the general fund—state appropriation for fiscal year 2009 is for the implementation of Second Substitute House Bill No. 3104 (domestic partnerships). If the bill is not enacted by June 30, 2008, the amounts in this subsection shall lapse.

(6) In addition to other reductions, the reduced appropriations in this section reflect an additional \$214,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1009. 2009 c 4 s 140 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

General Fund—State Appropriation (FY 2008)	\$591,000
General Fund—State Appropriation (FY 2009)	((\$557,000))
	<u>\$783,000</u>
General Fund—Federal Appropriation	\$3,651,000
General Administration Service Account—State	
Appropriation	\$36,893,000
TOTAL APPROPRIATION	((\$41,692,000))
	<u>\$41,918,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the temporary emergency food assistance program.

(2) Within the appropriations in this section, specific funding is provided to implement Second Substitute House Bill No. 1332 (affordable housing).

(3) \$391,000 of the general administration services account—state appropriation for fiscal year 2009 is provided solely for implementation of costs associated with the planning of agency moves out of the general administration building.

(4) The department shall work with the office of financial management to develop a plan that balances revenues and expenditures for each line of business within the general administration services account. State agency rates developed for the 2009-2011 biennium must equitably and reasonably reflect the actual cost of services provided to state agencies including the appropriate allocation of agency overhead costs. By August 31, 2008, the department shall submit to the office of financial management and the fiscal committees of the legislature financial statements for each line of business that shall inform the basis for agency rate development for the forthcoming biennium.

(5) The department shall submit a report to the office of financial management and the fiscal committees of the legislature that responds to each of the state auditor's motor pool audit recommendations by August 31, 2008. This report shall consist of recommendations that have been adopted by the department, progress made towards achieving those recommendations not yet completed, and justification for why the department is unable to fulfill any of the recommendations in the report.

Sec. 1010. 2009 c 4 s 143 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State

Appropriation.	(((\$2,574,000))
	<u>\$2,924,000</u>

Sec. 1011. 2009 c 4 s 145 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

General Fund—State Appropriation (FY 2008)	\$1,910,000
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Liquor Control Board Construction and Maintenance

Account—State Appropriation	\$13,430,000
Liquor Revolving Account—State Appropriation	(((\$194,556,000))
	<u>\$196,556,000</u>

TOTAL APPROPRIATION	(((\$209,896,000))
	<u>\$211,896,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$91,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5859 (retail liquor licenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(2) \$2,070,000 of the liquor revolving account—state appropriation is provided solely for the liquor control board to operate an additional 29 state stores on Sundays by September 1, 2007. The board shall determine the impacts on sales as a result of operating the additional stores on Sunday. In doing so, the liquor control board shall also examine the sales of state and contract liquor stores in proximity to those stores opened on Sundays to determine whether Sunday openings have reduced the sales of other state and contract liquor stores that are not open on Sundays. The board shall present this information to the appropriate policy and fiscal committees of the legislature by January 31, 2009.

Sec. 1012. 2009 c 4 s 148 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2008)	\$12,430,000
General Fund—State Appropriation (FY 2009)	(\$11,353,000)
	<u>\$11,526,000</u>
General Fund—Federal Appropriation	\$129,334,000
General Fund—Private/Local Appropriation	\$2,000
Enhanced 911 Account—State Appropriation	\$42,293,000
Disaster Response Account—State Appropriation	(\$24,454,000)
	<u>\$27,820,000</u>
Disaster Response Account—Federal Appropriation	(\$86,757,000)
	<u>\$98,441,000</u>
Military Department Rent and Lease Account—State Appropriation	\$814,000
Worker and Community Right-to-Know Account—State Appropriation	\$337,000
Nisqually Earthquake Account—State Appropriation	(\$556,000)
	<u>\$215,000</u>
Nisqually Earthquake Account—Federal Appropriation	(\$1,269,000)
	<u>\$1,382,000</u>
TOTAL APPROPRIATION	(\$309,599,000)
	<u>\$324,594,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) ~~(\$24,454,000)~~ \$27,820,000 of the disaster response account—state appropriation and ~~(\$86,757,000)~~ \$98,441,000 of the disaster response account—federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(2) ~~(\$556,000)~~ \$215,000 of the Nisqually earthquake account—state appropriation and ~~(\$1,269,000)~~ \$1,382,000 of the Nisqually earthquake account—federal appropriation are provided solely for response and recovery costs associated with the February 28, 2001, earthquake. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing earthquake recovery costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (e) estimates of future payments by biennium. This information shall be displayed by fund, by type of assistance, and by amount paid on behalf of state agencies or local organizations. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the Nisqually earthquake account, including: (a) The amount and type of deposits into the account; (b) the

current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2007-2009 biennium based on current revenue and expenditure patterns.

(3) \$61,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee;

(b) This amount shall not be allotted until a spending plan is reviewed by the governor's domestic security advisory group and approved by the office of financial management;

(c) The department shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; incremental changes from the previous estimate, planned and actual homeland security expenditures by the state and local governments with this federal funding; and matching or accompanying state or local expenditures; and

(d) The department shall submit a report by December 1st of each year to the office of financial management and the legislative fiscal committees detailing homeland security revenues and expenditures for the previous fiscal year by county and legislative district.

(4) Within the funds appropriated in this section, the department shall implement Substitute House Bill No. 1507 (uniformed service shared leave).

(5) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the military department to contract with the Washington information network 2-1-1 to operate a statewide 2-1-1 system. The department shall provide the entire amount for 2-1-1 and shall not take any of the funds for administrative purposes.

(6) \$200,000 of the enhanced 911 account—state appropriation is provided solely for the department to recommend an appropriate funding mechanism for the implementation of next generation 911. The department shall consult with the utilities and transportation commission, the department of revenue, local governments, and representatives from companies providing telecommunications services in order to complete the report required under this subsection. The department may also consult with other public safety and medical associations in order to complete the study. The department shall submit the report to the finance committee and the technology, energy, and communications committee of the house of representatives, and the ways and means committee and the water, energy, and telecommunications committee of the senate, by December 1, 2008.

Sec. 1013. 2009 c 4 s 151 (uncodified) is amended to read as follows:

FOR THE GROWTH MANAGEMENT HEARINGS BOARD

General Fund—State Appropriation (FY 2008) \$1,893,000

General Fund—State Appropriation (FY 2009)	(\$1,878,000)
	\$1,924,000
TOTAL APPROPRIATION	(\$3,771,000)
	\$3,817,000

Sec. 1014. 2008 c 329 s 151 (uncodified) is amended to read as follows:

FOR THE STATE CONVENTION AND TRADE CENTER

State Convention and Trade Center Account—State	
Appropriation	(\$44,773,000)
	\$39,769,000
State Convention and Trade Center Operating	
Account—State Appropriation	\$53,750,000
TOTAL APPROPRIATION	(\$98,523,000)
	\$93,519,000

**PART XI
HUMAN SERVICES**

Sec. 1101. 2008 c 329 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.

(1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

(4) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 209 of this act as may be necessary to finance a unified health care plan for the WMIP program enrollment. The WMIP pilot projects shall not exceed a

daily enrollment of 6,000 persons, nor expand beyond one county, during the 2007-2009 biennium. The amount of funding assigned to the pilot projects from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled in the pilot project, times the number of clients enrolled in the pilot project. In implementing the WMIP pilot projects, the department may: (a) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for individuals enrolled in the pilots; and (b) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs. The department shall conduct an evaluation of the WMIP, measuring changes in participant health outcomes, changes in patterns of service utilization, participant satisfaction, participant access to services, and the state fiscal impact.

(5)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, ((2008)) 2009, unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year ((2008)) 2009 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year ((2008)) 2009 caseload forecasts and utilization assumptions in the medical assistance, long-term care, foster care, adoption support, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

Sec. 1102. 2009 c 4 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008)	\$316,353,000
General Fund—State Appropriation (FY 2009)	((\$338,838,000))
	<u>\$340,780,000</u>
General Fund—Federal Appropriation	((\$490,314,000))
	<u>\$500,718,000</u>
General Fund—Private/Local Appropriation	\$2,187,000

Domestic Violence Prevention Account—State	
Appropriation	\$1,000,000
Public Safety and Education Account—State	
Appropriation (FY 2008)	\$3,251,000
Public Safety and Education Account—State	
Appropriation (FY 2009)	\$3,254,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2008)	\$2,934,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2009)	\$2,934,000
Pension Funding Stabilization Account—State	
Appropriation	\$2,298,000
TOTAL APPROPRIATION	(\$1,163,363,000)
	<u>\$1,175,709,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$3,063,000 of the general fund—state appropriation for fiscal year 2008 and \$2,993,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the category of services titled "intensive family preservation services."

(2) \$945,000 of the general fund—state appropriation for fiscal year 2008 and \$993,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to seventeen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2008, \$375,000 of the general fund—state appropriation for fiscal year 2009, and \$322,000 of the general fund—federal appropriation are provided solely for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a foster parent retention program. This program is directed at foster parents caring for children who act out sexually.

(5) The providers for the 31 HOPE beds shall be paid a \$1,020 base payment per bed per month, and reimbursed for the remainder of the bed cost only when the beds are occupied.

(6) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(7) Within amounts appropriated in this section, priority shall be given to proven intervention models, including evidence-based prevention and early intervention programs identified by the Washington state institute for public policy and the department. The department shall include information on the number, type, and outcomes of the evidence-based programs being implemented in its reports on child welfare reform efforts.

(8) \$500,000 of the general fund—state appropriation for fiscal year 2008, \$500,000 of the general fund—state appropriation for fiscal year 2009, and \$429,000 of the general fund—federal appropriation are provided solely to increase services provided through children's advocacy centers.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a street youth program in Spokane.

(10) \$41,000 of the general fund—state appropriation for fiscal year 2008, \$37,000 of the general fund—state appropriation for fiscal year 2009, and \$34,000 of the general fund—federal appropriation are provided solely for the implementation of Substitute House Bill No. 1472 (child welfare).

(11) \$858,000 of the general fund—state appropriation for fiscal year 2008, \$809,000 of the general fund—state appropriation for fiscal year 2009, and \$715,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5774 (background checks), including sections 6 and 7. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$4,962,000 of the general fund—state appropriation for fiscal year 2008, \$4,586,000 of the general fund—state appropriation for fiscal year 2009, and \$9,548,000 of the general fund—federal appropriation are provided solely for development and implementation of a statewide automated child welfare information system.

(13) \$126,000 of the general fund—state appropriation for fiscal year 2009 and \$55,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5321 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$707,000 of the general fund—state appropriation for fiscal year 2008, \$680,000 of the general fund—state appropriation for fiscal year 2009, and \$594,000 of the general fund—federal appropriation are provided solely for the implementation of Second Substitute House Bill No. 1334 (child welfare proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$2,237,000 of the general fund—state appropriation for fiscal year 2008, \$2,238,000 of the general fund—state appropriation for fiscal year 2009, and \$1,918,000 of the general fund—federal appropriation are provided solely

for the implementation of Substitute House Bill No. 1333 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$137,000 of the general fund—state appropriation for fiscal year 2008, \$137,000 of the general fund—state appropriation for fiscal year 2009, and \$118,000 of the general fund—federal appropriation are provided solely for implementation of Substitute House Bill No. 1287 (foster children). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to contract with the Washington state institute for public policy to study evidence-based, cost-effective programs and policies to reduce the likelihood of children entering and remaining in the child welfare system, including both prevention and intervention programs. If the department does not receive \$100,000 in matching funds from a private organization for the purpose of conducting this study, the amount provided in this subsection shall lapse. The study shall be completed by April 30, 2008. The department shall cooperate with the institute in facilitating access to data in their administrative systems. The board of the Washington state institute for public policy may adjust the due date for this project as necessary to efficiently manage workload.

(18) \$103,000 of the general fund—state appropriation for fiscal year 2008, \$407,000 of the general fund—state appropriation for fiscal year 2009, and \$48,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). This includes funding to develop, implement, and administer a program of educational transition planning for youth in foster care as specified in the bill. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(19) The department shall continue spending levels for continuum of care in region one at the same level allotted during the 2005-2007 biennium.

(20) Within the amounts provided, the department shall develop and implement a two-tiered reimbursement rate schedule for children from birth through twenty-four months of age and children twenty-five months of age through age five served by the medicaid treatment child care program. The department shall work in collaboration with contracted providers of the program to develop the rate schedule, taking into consideration such factors as higher staff level and small group size requirements for each age group. The department shall implement the rate schedule no later than January 1, 2008, and neither reimbursement rate in the two-tiered schedule shall be lower than the reimbursement rate level from the 2007 fiscal year.

(21) \$60,000 of the general fund—state appropriation for fiscal year 2008, \$20,000 of the general fund—state appropriation for fiscal year 2009, and \$35,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1624 (child welfare). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(22) \$49,000 of the general fund—state appropriation for fiscal year 2008, \$24,000 of the general fund—state appropriation for fiscal year 2009, and

\$35,000 of the general fund—federal appropriation are provided solely for the implementation of chapter 384, Laws of 2007.

(23) The department shall work with the exclusive bargaining representative for the children's administration social workers to prioritize social worker tasks and devise methods by which to alleviate from the social workers' workload lower priority tasks. Discussions on methods shall include the use of contracting services and home support specialists. The department and the bargaining representative shall jointly report their efforts to the appropriate committees of the legislature by submitting a progress report no later than July 1, 2008, and a final report by November 15, 2008.

(24) \$10,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the department to contract with the largest nonprofit organization in the state conducting education and outreach on RCW 13.34.360, the safety of newborn children law.

(25) \$616,000 of the general fund—state appropriation for fiscal year 2009 and \$184,000 of the general fund—federal appropriation are provided solely to contract with medical professionals for comprehensive safety assessments of high-risk families. The safety assessments will use validated assessment tools to guide intervention decisions through the identification of additional safety and risk factors. \$400,000 of this amount is for comprehensive safety assessments for families receiving in-home child protective services or family voluntary services. \$400,000 of this amount is for comprehensive safety assessments of families with an infant age birth to fifteen days where the infant was, at birth, diagnosed as substance exposed and the department received an intake referral related to the infant due to the substance exposure.

(26) \$42,000 of the general fund—state appropriation for fiscal year 2009 and \$29,000 of the general fund—federal appropriation are provided solely for the department to implement Second Substitute Senate Bill No. 6206 (child fatality). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(27) \$857,000 of the general fund—state appropriation for fiscal year 2009 and \$140,000 of the general fund—federal appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 3145 (foster parent licensing). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(28) \$415,000 of the general fund—state appropriation for fiscal year 2008, \$469,000 of the general fund—state appropriation for fiscal year 2009, and \$264,000 of the general fund—federal appropriation are provided solely for the hiring of staff to expedite the phase-in of the state's policy of a private and individual face-to-face visit each month with children in out-of-home care and in-home dependencies and their caregivers.

(29) \$109,000 of the general fund—state appropriation for fiscal year 2009 and \$35,000 of the general fund—federal appropriation are provided solely to implement sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(30) The appropriations in this section provide specific funds to implement Engrossed Substitute Senate Bill No. 6792 (dependency matters).

(31) \$812,000 of the general fund—state appropriation for fiscal year 2009 and \$256,000 of the general fund—federal appropriation are provided solely for the department to hire additional staff to perform child health education and tracking screens.

(32) \$1,829,000 of the general fund—state appropriation for fiscal year 2009 and \$578,000 of the general fund—federal appropriation are provided solely for the department to contract with ((nonprofit)) organizations to facilitate twice-monthly visits between siblings living apart from each other in out-of-home care.

(33) The department shall not close any secure crisis residential center facilities. The total number of statewide secure crisis residential center beds is reduced from 63 to 44.

Sec. 1103. 2009 c 4 s 202 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
JUVENILE REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2008)	\$87,822,000
General Fund—State Appropriation (FY 2009)	(((\$84,716,000))
	<u>\$82,553,000</u>
General Fund—Federal Appropriation	(((\$5,662,000))
	<u>\$5,870,000</u>
General Fund—Private/Local Appropriation	\$1,898,000
Reinvesting in Youth—State Appropriation	\$1,414,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$171,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2008)	\$21,975,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2009)	\$22,078,000
Juvenile Accountability Incentive Account—Federal	
Appropriation	\$2,510,000
Pension Funding Stabilization Account—State	
Appropriation	\$2,200,000
TOTAL APPROPRIATION	(((\$230,446,000))
	<u>\$228,491,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$353,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$3,078,000 of the violence reduction and drug enforcement account appropriation and \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$3,078,000 of the violence reduction and drug enforcement

account appropriation and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) \$1,030,000 of the general fund—state appropriation and \$2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$1,030,000 of the general fund—state appropriation and \$2,686,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) \$1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2008 and \$1,506,000 of the violence reduction and drug enforcement account appropriation for fiscal year 2009 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) \$2,669,000 of the general fund—state appropriation for fiscal year 2008 and \$2,947,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs or other programs with a positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) \$1,287,000 of the general fund—state appropriation for fiscal year 2008 and \$787,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions and aggression replacement training. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7) The juvenile rehabilitation administration shall provide a block grant, rather than categorical funding, of consolidated juvenile services funds,

community juvenile accountability act grants, the chemically dependent disposition alternative, and the special sex offender disposition to county juvenile courts, or groups of courts, including the Pierce county juvenile court. The juvenile rehabilitation administration and the family policy council shall jointly write criteria for awarding and administering block grants to county juvenile courts. In developing the criteria, the juvenile rehabilitation administration and the family policy council shall seek the advice of the Washington state institute for public policy. The criteria shall address, but not be limited to:

- (a) The selection of courts for participation in the block grant;
- (b) The types of evidence-based programs and practices to which the funds will be applied. The evidence-based programs and practices shall either be consistent with those cost-beneficial options identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates," or be new approaches that have the potential to demonstrate positive returns for the taxpayer; and
- (c) The protocols for participating courts to collect information on the effectiveness of programs funded under the block grant, including: (i) Developing intermediate client outcomes based on the risk assessment tool currently used by juvenile courts and in coordination with the juvenile rehabilitation administration; (ii) reporting treatment outcomes including a process evaluation to the juvenile rehabilitation administration and the family policy council by June 20, 2008, and an outcome evaluation of recidivism and benefit-cost results submitted within eighteen months of the initiation of the treatment, when follow-up data are available. The courts shall develop these evaluations in consultation with the juvenile rehabilitation administration, the family policy council, and the Washington state institute for public policy; and (iii) documenting the process for managing block grant funds on a quarterly basis and provide this report to the juvenile rehabilitation administration and the family policy council.

(8) \$73,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$98,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

**Sec. 1104.* 2009 c 4 s 203 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
MENTAL HEALTH PROGRAM**

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS	
General Fund—State Appropriation (FY 2008)	\$305,732,000
<i>General Fund—State Appropriation (FY 2009)</i>	<i>(\$308,382,000)</i>
	<u>\$298,118,000</u>
General Fund—Federal Appropriation	(\$396,996,000)
	<u>\$414,136,000</u>

General Fund—Private/Local Appropriation	((<u>\$16,157,000</u>))
	<u>\$18,732,000</u>
TOTAL APPROPRIATION	((<u>\$1,027,267,000</u>))
	<u>\$1,036,718,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$103,989,000 of the general fund—state appropriation for fiscal year 2008 and \$122,119,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for persons and services not covered by the medicaid program. Reductions to fiscal year 2009 allocations shall be distributed proportionally to each regional support network's percentage of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$16,900,000 of the general fund—state appropriation for fiscal year 2008 and \$16,900,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department and regional support networks to contract for development and initial implementation of high-intensity program for active community treatment (PACT) teams, and other proven program approaches that the department concurs will enable the regional support network to achieve significant reductions during fiscal year 2008 and thereafter in the number of beds the regional support network would otherwise need to use at the state hospitals.

(c) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 222 per day throughout fiscal year 2008. Beginning January 1, 2009, the number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 777 per day during the first and second quarters of fiscal year 2008, and 677 per day from January 2008 through August 2008. Beginning September 2008, the number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 647 per day until May 2009, at which time the bed allocation shall be 617 beds per day. Beginning January 2008, beds in the program for adaptive living skills (PALS) are not included in the preceding bed allocations. Beginning that month, the department shall separately charge regional support networks for persons served in the PALS program.

(d) From the general fund—state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund—state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(e) At least \$902,000 of the federal block grant funding appropriated in this subsection shall be used for the continued operation of the mentally ill offender pilot program.

(f) \$5,000,000 of the general fund—state appropriation for fiscal year 2008 and \$5,000,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. The department is authorized to transfer up to \$418,000 of these amounts each fiscal year to the economic services program for purposes of facilitating prompt access after their release from confinement to medical and income assistance services for which defendants and offenders may be eligible.

(g) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,091,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants for innovative mental health service delivery projects. Such projects may include, but are not limited to, clubhouse programs and projects for integrated health care and behavioral health services for general assistance recipients. These amounts shall supplement, and not supplant, local or other funding currently being used for activities funded under the projects authorized in this subsection. The department shall not terminate early any grant that was contracted under this subsection prior to January 1, 2009, for the use of funds during fiscal year 2009.

(h) The department is authorized to continue to expend federal block grant funds and special purpose federal grants through direct contracts, rather than through contracts with regional support networks, and to allocate such funds through such formulas as it shall adopt.

(i) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(j) \$2,250,000 of the general fund—state appropriation for fiscal year 2008, \$2,250,000 of the general fund—state appropriation for fiscal year 2009, and \$4,500,000 of the general fund—federal appropriation are provided solely for the continued operation of community residential and support services for persons who are older adults or who have co-occurring medical and behavioral disorders and who have been discharged or diverted from a state psychiatric hospital. These funds shall be used to serve individuals whose treatment needs constitute substantial barriers to community placement, who no longer require active psychiatric treatment at an inpatient hospital level of care, and who no longer meet the criteria for inpatient involuntary commitment. Coordination of these services will be done in partnership between the mental health program and the aging and disability services administration.

(k) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(l) \$135,000 of the general fund—state appropriation for fiscal year 2008, \$2,961,000 of the general fund—state appropriation for fiscal year 2009, and \$1,289,000 of the general fund—private/local appropriation are provided solely to enable the department to contract with Pierce county human services for the provision of community mental health services to include crisis triage,

evaluation and treatment, and mobile crisis services. The legislature intends this to be one-time funding while a replacement regional support network is being secured. The department is authorized to reserve \$402,000 general fund—state and \$201,000 general fund—local of these amounts for reasonable costs incurred by Pierce county for the provision of mental health crisis and related services that exceed reimbursement levels contracted by the department. In order to receive these funds, Pierce county must demonstrate to the department that the total cost of mental health services provided by the county in accordance with formal agreements has exceeded the revenues received from the department and third-party payers for these services. The department shall determine the documentation that is required.

(m) \$504,000 of the general fund—state appropriation for fiscal year 2008 and \$1,529,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(n) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the Spokane regional support network to implement a comprehensive plan for reducing its utilization of eastern state hospital. Key elements of the plan, which shall be developed and implemented in consultation with and with the assistance of the department, may include but shall not be limited to development of additional crisis triage, crisis stabilization, and evaluation and treatment beds; provision of housing assistance for high-utilizers of hospital and jail services who are at risk of homelessness; implementation of an intensive outpatient treatment team for persons with co-occurring disorders and other special needs; and delivery of respite care to assist elderly individuals avoid or return home after hospitalization. Spokane regional support network shall receive a proportional share of the fiscal year 2009 nonmedicaid rate reduction out of its base funding distribution.

(o) The department shall return to the Spokane regional support network fifty percent of the amounts assessed against the network during fiscal year 2009 for state hospital utilization in excess of its contractual limit. The regional support network shall use these funds for start-up and operation during its initial months of a new sixteen-bed evaluation and treatment facility that will enable the network to reduce its use of the state hospital.

(p) The department shall not reduce medicaid capitation rates below those in effect as of December 15, 2008.

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008) \$138,340,000

General Fund—State Appropriation (FY 2009) ((~~\$129,272,000~~)

\$126,164,000

General Fund—Federal Appropriation ((~~\$145,552,000~~))

\$148,501,000

General Fund—Private/Local Appropriation ((~~\$66,302,000~~))

\$66,521,000

Pension Funding Stabilization Account—State

Appropriation.....	\$7,058,000
TOTAL APPROPRIATION	(\$486,524,000)
	<u>\$486,584,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The state psychiatric hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) \$45,000 of the general fund—state appropriation for fiscal year 2008 and \$45,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(c) \$18,575,000 of the general fund—state appropriation for fiscal year 2008 and \$9,675,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to operate on a temporary basis five additional adult civil commitment wards at the state psychiatric hospitals. The legislature intends for these wards to close, on a phased basis, during the 2007-09 biennium as a result of targeted investments in community services for persons who would otherwise need care in the hospitals.

(d) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for safety training and for protective equipment for staff at eastern and western state hospitals. Protective equipment shall include shields, helmets, gloves, and body protection.

(e) \$304,000 of the general fund—state appropriation for fiscal year 2008 and \$231,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(e) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(f) \$133,000 of the general fund—state appropriation for fiscal year 2008 and \$2,145,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to pilot a direct care nurse staffing plan for two high incident wards at eastern state hospital and four high incident wards at western state hospital. The pilot provides funding to fully staff registered nurses, licensed practical nurses, and mental health technicians in accordance with the state psychiatric hospitals direct care staffing review and recommendations. The department shall have the authority to fill the positions with any mix of these direct care nursing staff so long as a good faith effort is made to first hire and recruit positions in accordance with the direct care nurse staffing plan. The department shall monitor outcomes for improved patient and staff safety and provide a written report to the legislature by October 1, 2009.

(g) \$617,000 of the general fund—state appropriation for fiscal year 2008 and \$334,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely to cover additional operating costs related to the October 11, 2007, laundry fire at western state hospital.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2008)	\$1,892,000
General Fund—State Appropriation (FY 2009)	\$2,269,000
General Fund—Federal Appropriation	\$3,276,000
TOTAL APPROPRIATION	\$7,437,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$877,000 of the general fund—state appropriation for fiscal year 2008, \$1,189,000 of the general fund—state appropriation for fiscal year 2009, and \$140,000 of the general fund—federal appropriation are provided solely for implementation of sections 4, 7, 10, and other provisions of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse. Funds are also appropriated in sections 207 and 209 of this act for implementation of 5, 8, and 11 of Second Substitute House Bill No. 1088.

(b) \$80,000 of the general fund—state appropriation for fiscal year 2009 and \$80,000 of the general fund—federal appropriation are provided solely as one-time funding to make available a mental health train the trainer first aid course consisting of twelve hours of instruction based upon a program created by the department of psychiatry, University of Melbourne in Australia. The course will provide training to members of the public related to: (i) Giving appropriate initial help and support to a person suffering from a mental disorder and responding to mental health crisis situations; and (ii) depression, anxiety disorders, psychosis, and substance use disorder, including recognizing symptoms, possible causes or risk factors, and evidenced-based treatment options. Participants in the first aid course will train others to provide the training.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2008)	\$4,966,000
General Fund—State Appropriation (FY 2009)	(\$4,500,000)
	<u>\$4,477,000</u>
General Fund—Federal Appropriation	(\$7,557,000)
	<u>\$7,580,000</u>
TOTAL APPROPRIATION	\$17,023,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$164,000 of the general fund—federal appropriation are provided solely for the institute for public policy to continue the longitudinal analysis directed in chapter 334, Laws of 2001 (mental health performance audit), to build upon the evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill offenders), and to assess program outcomes and cost effectiveness of the children's mental health pilot projects as required by chapter 372, Laws of 2006.

(b) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the department to contract with a facilitator to coordinate a review and make recommendations on:

(i) Ward sizes at eastern and western state hospitals and patient case mix by ward;

(ii) Discharge practices for state hospitals to include the child and study treatment center; and

(iii) Community placements to include placements for adults and children.

By October 15, 2008, the department shall provide to the legislature recommendations for system improvement to include a cost/benefit analysis. The department shall include representation from regional support networks in the review and development of recommendations for discharge practices and community placements.

**Sec. 1104 was partially vetoed. See message at end of chapter.*

**Sec. 1105. 2009 c 4 s 204 (uncodified) is amended to read as follows:*

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2008)	\$348,327,000
<i>General Fund—State Appropriation (FY 2009)</i>	<i>(\$362,407,000)</i>
	<u>\$343,503,000</u>
General Fund—Federal Appropriation	(\$653,802,000)
	<u>\$693,402,000</u>
Health Services Account—State Appropriation (FY 2008)	\$452,000
Health Services Account—State Appropriation (FY 2009)	\$452,000
TOTAL APPROPRIATION	(\$1,365,440,000)
	<u>\$1,386,136,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The entire health services account appropriation, \$615,000 of the general fund—state appropriation for fiscal year 2008, \$892,000 of the general fund—state appropriation for fiscal year 2009, and \$2,546,011 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per participating worker per month shall be no greater than \$532.00 in fiscal year 2008 and \$585.00 in fiscal year 2009.

(b) Individuals receiving family support or high school transition payments as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(c) \$4,903,000 of the general fund—state appropriation for fiscal year 2008, \$9,295,000 of the general fund—state appropriation for fiscal year 2009, and \$15,016,000 of the general fund—federal appropriation are provided solely for community residential and support services. Funding in this subsection shall be prioritized for (i) residents of residential habilitation centers who are able to be adequately cared for in community settings and who choose to live in those

community settings; (ii) clients without residential services who are at immediate risk of institutionalization or in crisis; (iii) children who are at risk of institutionalization or who are aging out of other state services; and (iv) current home and community-based waiver program clients who have been assessed as having an immediate need for increased services. First priority shall be given to children who are at risk of institutionalization. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$300. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds, provided the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) \$2,399,000 of the general fund—state appropriation for fiscal year 2008, \$5,961,000 of the general fund—state appropriation for fiscal year 2009, and \$8,849,000 of the general fund—federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues. Funding in this subsection shall be prioritized for (i) clients being diverted or discharged from the state psychiatric hospitals; (ii) clients participating in the dangerous mentally ill offender program; (iii) clients participating in the community protection program; and (iv) mental health crisis diversion outplacements. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$349 in fiscal year 2008 and \$356 in fiscal year 2009. In order to maximize the number of clients served and ensure the cost-effectiveness of the waiver programs, the department will strive to limit new client placement expenditures to 90 percent of the budgeted daily rate. If this can be accomplished, additional clients may be served with excess funds if the total projected carry-forward expenditures do not exceed the amounts estimated. The department shall implement the four new waiver programs such that decisions about enrollment levels and the amount, duration, and scope of services maintain expenditures within appropriations. The department shall electronically report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(e) \$13,198,000 of the general fund—state appropriation for fiscal year 2008, \$16,354,000 of the general fund—state appropriation for fiscal year 2009, and \$8,579,000 of the general fund—federal appropriation are provided solely for family support programs for individuals with developmental disabilities. Of the amounts provided in this subsection (e), \$696,000 of the general fund—state appropriation for fiscal year 2008 and \$3,852,000 of the general fund—state appropriation for fiscal year 2009 are for state-only services for individuals with

developmental disabilities, as described in Second Substitute Senate Bill No. 5467 (developmental disabilities). By January 1, 2008, and by November 1, 2008, the department shall provide a status report to the appropriate policy and fiscal committees of the legislature on the individual and family services program for people with developmental disabilities, which shall include the following information: The number of applicants for funding; the total number of awards; the number and amount of both annual and one-time awards, broken down by household income levels; and the purpose of the awards.

(f) \$1,692,000 of the general fund—state appropriation for fiscal year 2008, \$3,645,000 of the general fund—state appropriation for fiscal year 2009, and \$2,397,000 of the general fund—federal appropriation are provided solely for employment and day services. Priority consideration for this new funding shall be young adults with developmental disabilities living with their family who need employment opportunities and assistance after high school graduation. Services shall be provided for both waiver and nonwaiver clients. The legislature finds that some waiver clients are not receiving employment services that are authorized under their waivers. Within the amounts appropriated in this section, waiver clients must receive services as authorized by their waiver, such as pathway to employment, while waiting for paid employment to be developed. The department shall work with the counties to establish a consistent proposed policy for minimum direct service hours for clients, minimum hours of support, time frames for seeking paid employment, and services provided under pathway to employment while paid employment is sought. The department shall report to the office of financial management and the appropriate committees of the legislature on this proposal by November 1, 2008, including estimated fiscal impacts and an option for making the policy budget neutral for the current level of clients served. In order to maximize the number of clients served, the department may serve additional nonwaiver clients with unspent funds for waiver clients, provided the total projected carry-forward expenditures do not exceed the amounts estimated.

(g) \$160,000 of the general fund—state appropriation for fiscal year 2008 and \$140,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute Senate Bill No. 5467 (developmental disabilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h)(i) Amounts appropriated in this subsection are sufficient to increase provider payment rates by 6.0 percent for boarding homes, effective July 1, 2007, including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, for adult family homes, including those currently receiving exceptional care rates.

(ii) The department shall implement phase one of full implementation of a seventeen CARE level payment system for community residential providers. Amounts appropriated in this section are sufficient to increase adult family home provider payment rates on average, effective July 1, 2008, including those currently receiving exceptional care rates, and to adjust adult family home rates for the first phase of a seventeen CARE level payment system. Effective July 1, 2008, the provider payment rate allocation for boarding homes contracted as assisted living shall be the provider's June 30, 2008, payment rate allocation, and the provider payment rate for boarding homes contracted as ARCs and EARCs

shall be adjusted to reflect phase one of a seventeen CARE level payment system. This will be in effect until such time as the rates are consistent between adult family homes and boarding homes for delivery of the same patient care levels.

(iii) Amounts provided in this section and in section 206 of this act are sufficient to assist adult family home providers with the cost of paying liability insurance.

(i) (~~(\$921,000)~~) \$494,000 of the general fund—state appropriation for fiscal year 2009 and (~~(\$963,000)~~) \$518,000 of the general fund—federal appropriation are provided solely for the development and implementation of a federal home and community-based care waiver to provide intensive behavior support services to up to one hundred children with developmental disabilities who have intense behaviors, and their families.

(i) To receive services under the waiver, the child must have a developmental disability and: (A) Meet an acuity measure, as determined by the department, indicating that the child is at high risk of needing an out-of-home placement; (B) be eligible for developmental disabilities services and a home and community-based care waiver program; (C) reside in his or her family home or temporarily in an out-of-home placement with a plan to return home; and (D) have family that demonstrates the willingness to participate in the services offered through the waiver, and is not subject to a pending child protective services referral.

(ii) The department shall authorize, contract for, and evaluate the provision of intensive in-home services that support the ability of the child to remain at home with their parents or relatives. Intensive behavior support services under the waiver shall be provided directly or by contract, and may include, but are not limited to: (A) Behavior consultation and management, therapies and respite care; (B) minor home or motor vehicle modifications and transportation; (C) specialized nutrition and clothing; (D) training of families and other individuals working with the child; and (E) inclusion in community activities.

(j) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the purpose of settling all claims in the *Washington Federation of State Employees, et. al v. State of Washington*, Thurston County Superior Court Cause No. 05-2-02422-4. The expenditure of this appropriation is contingent on the release of all claims in this case, and total settlement costs shall not exceed the appropriation in this subsection (j). If settlement is not executed by June 30, 2008, the appropriation in this subsection (j) shall lapse.

(k) Within the amounts appropriated in this section, the department shall review current infant-toddler early intervention services statewide and report to the office of financial management by November 1, 2008, and the appropriate committees of the legislature on a recommended consistent funding approach per child for the 2009-11 biennium, recognizing the new level of funding anticipated by school district participation. The recommendations must also include a budget neutral option for the current level of clients served.

(l) \$325,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for state-only employment services for young adults with developmental disabilities who need employment opportunities and assistance after high school graduation.

(m) Within the amounts appropriated in this subsection (1), the department shall implement all necessary rules to facilitate the transfer to a department home and community-based services (HCBS) waiver of all eligible individuals who (i) currently receive services under the existing state-only employment and day program, and (ii) otherwise meet the waiver eligibility requirements. The amounts appropriated are sufficient to ensure that all individuals currently receiving services under the state-only employment and day program who are not transferred to a department HCBS waiver will continue to receive services.

~~(n) ((Within the amounts appropriated in this subsection (1), the department shall define in-home personal care services to include a client's ability to manage their personal care worker as identified by characteristics in the functional assessment. Clients whose assessments demonstrate they are able to manage their own plan of care are not eligible for personal care through a home care agency. The department shall adopt rules to implement this section.~~

~~(o) The department shall not reduce and shall continue to provide adult day health services.))~~

(o) The department shall not pay a home care agency licensed under chapter 70.127 RCW for personal care services provided by a family member pursuant to Substitute House Bill No. 2361 (modifying state payments for in-home care).

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008)	\$80,469,000
General Fund—State Appropriation (FY 2009)	(((\$69,825,000))
	\$65,359,000
General Fund—Federal Appropriation	(((\$179,338,000))
	\$184,387,000
General Fund—Private/Local Appropriation	(((\$21,629,000))
	\$22,203,000
Pension Funding Stabilization Account—State Appropriation	\$5,614,000
TOTAL APPROPRIATION	(((\$356,875,000))
	\$358,032,000

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The developmental disabilities program is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the program determines it is cost-effective to do so.

(b) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for services provided to community clients provided by licensed professionals at the state rehabilitation centers. The division shall submit claims for reimbursement for services provided to clients living in the community to medical assistance or third-party health care coverage, as appropriate, and shall implement a system for billing clients without coverage.

(c) \$642,000 of the general fund—state appropriation for fiscal year 2008 and \$721,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other

support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(d) The department shall ~~((not reduce and shall))~~ continue to provide ~~((subsidies to clients of))~~ professional services at the residential habilitation centers ~~((professional providers to support the treatment of developmentally disabled clients who do not reside in a residential habilitation center, but shall not expand eligibility for these services))~~ to eligible community clients within appropriation limits.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2008)	\$2,262,000
General Fund—State Appropriation (FY 2009)	\$1,903,000
General Fund—Federal Appropriation	\$2,788,000
TOTAL APPROPRIATION	\$6,953,000

The appropriations in this subsection are subject to the following conditions and limitations:

(1) As part of the needs assessment instrument, the department shall collect data on family income for minor children with developmental disabilities and all individuals who are receiving state-only funded services. The department shall ensure that this information is collected as part of the client assessment process.

(2) In addition to other reductions, the reduced appropriations in this section reflect an additional \$399,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2008)	\$17,000
General Fund—State Appropriation (FY 2009)	\$15,000
General Fund—Federal Appropriation	(\$16,809,000)
	<u>\$21,033,000</u>
TOTAL APPROPRIATION	(\$16,841,000)
	<u>\$21,065,000</u>

*Sec. 1105 was partially vetoed. See message at end of chapter.

Sec. 1106. 2009 c 4 s 205 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM

General Fund—State Appropriation (FY 2008)	\$700,332,000
General Fund—State Appropriation (FY 2009)	(\$707,293,000)
	<u>\$655,024,000</u>
General Fund—Federal Appropriation	(\$1,569,912,000)
	<u>\$1,628,163,000</u>
General Fund—Private/Local Appropriation	\$19,525,000
Pension Funding Stabilization Account—State Appropriation	\$1,448,000
Health Services Account—State Appropriation (FY 2008)	\$2,444,000
Health Services Account—State Appropriation (FY 2009)	\$2,444,000

Traumatic Brain Injury Account—State Appropriation	\$1,212,000
TOTAL APPROPRIATION	(((\$3,004,610,000))
	<u>\$3,010,592,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The entire health services account appropriation, \$10,456,000 of the general fund—state appropriation for fiscal year 2008, \$11,370,000 of the general fund—state appropriation for fiscal year 2009, and \$26,778,000 of the general fund—federal appropriation are provided solely for health care benefits for agency home care workers who are employed through state contracts for at least twenty hours a week. The state contribution to the cost of health care benefits per eligible participating worker per month shall be no greater than \$532.00 in fiscal year 2008 and \$585.00 per month in fiscal year 2009.

(2)(a) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$159.34 for fiscal year 2008 and shall not exceed ~~(((\$163.72))~~ \$164.85 for fiscal year 2009, including the rate add-on described in subsection (9) of this section. For all nursing facilities, the direct care, therapy care, support services, and operations component rates established in accordance with chapter 74.46 RCW shall be adjusted for economic trends and conditions by 3.2 percent effective July 1, 2007, and by 1.99 percent effective July 1, 2008.

(b) \$1,835,000 of the general fund—state appropriation for fiscal year 2009 and \$2,574,000 of the general fund—federal appropriation are provided solely for restoration of the statewide weighted average nursing facility payment rate up to the payment rate specified in (a) of this subsection.

(3) In accordance with chapter 74.46 RCW, the department shall issue certificates of capital authorization that result in up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2008; up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2009(~~and up to \$16,000,000 of increased asset value completed and ready for occupancy in fiscal year 2010~~)).

~~(((4) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW. The department shall not reduce and shall continue to provide adult day health services.))~~

(5) In accordance with chapter 74.39 RCW, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of care in community residential facilities. Enrollment in the waiver shall not exceed 600 persons at any time.

(b) The second waiver program shall include coverage of in-home care. Enrollment in this second waiver shall not exceed 200 persons at any time.

(c) The department shall identify the number of medically needy nursing home residents, and enrollment and expenditures on each of the two medically needy waivers, on monthly management reports.

(d) If it is necessary to establish a waiting list for either waiver because the budgeted number of enrollment opportunities has been reached, the department shall track how the long-term care needs of applicants assigned to the waiting list are met.

(6) \$1,840,000 of the general fund—state appropriation for fiscal year 2008 and \$1,877,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operation of the volunteer chore services program.

(7) The department shall establish waiting lists to the extent necessary to assure that annual expenditures on the community options program entry systems (COPES) program do not exceed appropriated levels. In establishing and managing any such waiting list, the department shall assure priority access to persons with the greatest unmet needs, as determined by department assessment processes.

(8) \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$250,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9) \$3,000,000 of the general fund—state appropriation for fiscal year 2009 and \$3,134,000 of the general fund—federal appropriation are provided solely to increase compensation for low-wage workers in nursing homes beginning July 1, 2008. Within the funds provided, the department shall provide an add-on per resident day per facility based on the total funding divided by the total number of fiscal year 2009 medicaid patient days as forecasted by the caseload forecast council, not to exceed \$1.57. The department may reduce the level of add-on if necessary to fit within this appropriation if the caseload forecasted days increase from the February 2008 forecast. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2006, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The department shall implement reporting requirements and a settlement process to ensure that the funds are spent according to this subsection. The department shall adopt rules to implement the terms of this subsection.

(10) Within amounts appropriated in this section, the department is authorized to expand the number of boarding homes and adult family homes that receive exceptional care rates for persons with Alzheimer's disease and related dementias who might otherwise require nursing home care. The department may expand the number of licensed boarding home facilities that specialize in caring for such conditions by up to 100 beds. Effective July 1, 2008, the department shall be authorized to provide adult family homes that specialize in caring for such conditions with exceptional care rates for up to 50 beds. The department will develop standards for adult family homes to qualify for such exceptional care rates in order to enhance consumer choice.

(11) \$1,212,000 of the traumatic brain injury account—state appropriation is provided solely for the implementation of Second Substitute House Bill No.

2055 (traumatic brain injury). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12)(a) Amounts appropriated in this section are sufficient to increase provider payment rates by 6.0 percent for boarding homes, effective July 1, 2007, including those currently receiving exceptional care rates; and by 3.2 percent, effective July 1, 2007, for adult family homes, including those currently receiving exceptional care rates.

(b) The department shall implement phase one of full implementation of a seventeen CARE level payment system for community residential providers. Amounts appropriated in this section are sufficient to increase adult family home provider payment rates on average, effective July 1, 2008, including those currently receiving exceptional care rates, and to adjust adult family home rates for the first phase of a seventeen CARE level payment system. Effective July 1, 2008, the provider payment rate allocation for boarding homes contracted as assisted living shall be the provider's June 30, 2008, payment rate allocation, and the provider payment rate for boarding homes contracted as ARCs and EARCs shall be adjusted to reflect phase one of a seventeen CARE level payment system. This will be in effect until such time as the rates are consistent between adult family homes and boarding homes for delivery of the same patient care levels.

(c) Amounts provided in this section and in section 205 of this act are sufficient to assist adult family home providers with the cost of paying liability insurance.

(13) The department shall contract for housing with service models, such as cluster care, to create efficiencies in service delivery and responsiveness to unscheduled personal care needs by clustering hours for clients that live in close proximity to each other.

(14) \$2,463,000 of the general fund—state appropriation for fiscal year 2009 and \$1,002,000 of the general fund—federal appropriation are provided solely to implement sections 4 and 8 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(15) \$40,000 of the general fund—state appropriation for fiscal year 2009 and \$40,000 of the general fund—federal appropriation are provided solely to implement Second Substitute Senate Bill No. 6220 (nurse delegation) or sections 11 and 12 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If neither bill is enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(16) Within the funds appropriated in the section, the department shall establish one statewide hourly rate to reimburse home care agencies for the costs related to state clients for hours worked by direct care workers in receiving mandatory training. The statewide hourly rate shall be based on the hourly wage paid to individual providers plus mandatory taxes plus an adjustment based on the formula created under RCW 74.39A.310.

(17) ~~((Within the amounts appropriated in this section, the department shall define in-home personal care services to include a client's ability to manage their personal care worker as identified by characteristics in the functional assessment. Clients whose assessments demonstrate they are able to manage their own plan of care are not eligible for personal care through a home care~~

~~agency. The department shall adopt rules to implement this section)) The department shall not pay a home care agency licensed under chapter 70.127 RCW for personal care services provided by a family member pursuant to Substitute House Bill No. 2361 (modifying state payments for in-home care).~~

(18) In addition to other reductions, the reduced appropriations in this section reflect an additional \$1,002,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(19) Adult day health services shall only be authorized for clients in nonresidential settings.

Sec. 1107. 2009 c 4 s 206 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2008)	\$586,369,000
General Fund—State Appropriation (FY 2009)	(((\$464,586,000))
	<u>\$467,807,000</u>
General Fund—Federal Appropriation	(((\$1,168,223,000))
	<u>\$1,219,837,000</u>
General Fund—Private/Local Appropriation	\$33,233,000
Pension Funding Stabilization Account—State Appropriation	\$4,592,000
TOTAL APPROPRIATION	(((\$2,257,003,000))
	<u>\$2,311,838,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$344,694,000 of the general fund—state appropriation for fiscal year 2008, ~~(((\$362,304,000))~~ \$218,162,000 of the general fund—state appropriation for fiscal year 2009, and ~~(((\$733,276,000))~~ \$505,967,000 of the general fund—federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. Within the amounts provided for the WorkFirst program, the department shall:

(a) Establish a career services work transition program;

(b) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. The department shall also report the percentage of families who have returned to temporary assistance for needy families after 12 months, 24 months, and 36 months;

(c) Submit a report by October 1, 2007, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2007-2009 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels;

(d) Provide quarterly fiscal reports to the office of financial management and the legislative fiscal committees detailing information on the amount expended from general fund—state and general fund—federal by activity;

(e) For fiscal year 2009, increase the temporary assistance for needy families grant standard by three percent to account for increased housing costs.

(2) Up to \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 of the amounts in subsection (1) of this section are for the WorkFirst pathway to engagement program. The department shall collaborate with community partners and represented staff to identify additional services needed for WorkFirst clients in sanction status. The department shall contract with qualified community-based organizations to deliver such services, provided that such services are complimentary to the work of the department and are not intended to supplant existing staff or services. The department shall also contract with community-based organizations for the provision of services for WorkFirst clients who have been terminated after six months of sanction. Contracts established pursuant to this subsection shall have a performance-based component and shall include both presanction termination and postsanction termination services. Clients shall be able to choose whether or not to accept the services. The department shall develop outcome measures for the program related to outreach and reengagement, reduction of barriers to employment, and client feedback and satisfaction. Nothing in this subsection is intended to modify a collective bargaining agreement under chapter 41.80 RCW or to change the state's responsibility under chapter 41.80 RCW. The department shall report to the appropriate policy and fiscal committees of the legislature by December 1, 2007, on program implementation and outcomes. The department also shall report on implementation of specialized caseloads for clients in sanction status, including average caseload size, referral process and criteria, and expected outcomes for specialized caseloads.

(3) \$210,000 of the general fund—state appropriation for fiscal year 2008, \$187,000 of the general fund—state appropriation for fiscal year 2009, and \$396,000 of the general fund—federal appropriation are provided solely for implementation of section 8 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(4) \$152,000 of the general fund—state appropriation for fiscal year 2008, \$96,000 of the general fund—state appropriation for fiscal year 2009, and \$482,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1009 (child support schedule). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) \$750,000 of the general fund—state appropriation for fiscal year 2008 and \$750,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to increase naturalization services. These amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2008 and \$1,500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to increase limited English proficiency pathway services. These

amounts shall supplement and not supplant state and federal resources currently provided by the department for this purpose.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2008, \$5,782,000 of the general fund—state appropriation for fiscal year 2009, and \$6,431,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5244 (deficit reduction act). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(8) Within amounts appropriated in this section, the department shall: (a) Increase the state supplemental payment by \$1.77 per month beginning July 1, 2007, and by an additional \$1.83 per month beginning July 1, 2008, for SSI clients who reside in nursing facilities, residential habilitation centers, or state hospitals and who receive a personal needs allowance; and (b) decrease other state supplemental payments.

(9) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department for the data tracking provisions specified in sections 701 and 702 of Second Substitute Senate Bill No. 5470 (dissolution proceedings). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(10) \$1,552,000 of the general fund—state appropriation for fiscal year 2008 and \$1,552,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Second Substitute Senate Bill No. 6016 (workfirst program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to award grants to small mutual assistance associations or small community-based organizations that contract with the department for immigrant and refugee assistance services. The funds shall be awarded to demonstrate the impact of providing funding for a case worker in the community organization on the refugees' economic self-sufficiency through the effective use of social services, and financial and medical assistance.

(12) \$50,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute Senate Bill No. 6483 (local food production). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(13) \$1,100,000 of the general fund—state appropriation for fiscal year 2009 and \$850,000 of the general fund—federal appropriation are provided solely to increase the gross income limits for eligibility for programs authorized under RCW 74.04.500 and 74.08A.120 to 200 percent of the federal poverty level. The department shall adjust its rules and information technology systems to make the eligibility change effective October 1, 2008.

(14) The department, in conjunction with the House Bill No. 1290 work group, shall identify and analyze barriers preventing city, county, and state referrals of persons potentially eligible for expedited application processing authorized under RCW 74.09.555. The department, in conjunction with the House Bill No. 1290 work group, shall report its findings and recommendations

to the appropriate committees of the legislature no later than November 15, 2008.

(15) \$656,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to the department to increase immigration and naturalization services. These funds shall not supplant state and federal resources currently provided by the department for this purpose.

(16) The department shall not increase the child care copayment for families above 82 percent of the federal poverty level.

(17) In addition to other reductions, the reduced appropriations in this section reflect an additional \$516,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1108. 2009 c 4 s 207 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund—State Appropriation (FY 2008)	\$69,252,000
General Fund—State Appropriation (FY 2009)	(((\$54,049,000))
	<u>\$55,324,000</u>
General Fund—Federal Appropriation	(((\$168,949,000))
	<u>\$177,314,000</u>
General Fund—Private/Local Appropriation	\$6,083,000
Criminal Justice Treatment Account—State Appropriation	\$18,555,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008)	\$22,186,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009)	\$22,186,000
Problem Gambling Account—State Appropriation	\$1,464,000
Public Safety and Education Account—State Appropriation (FY 2008)	\$3,396,000
Public Safety and Education Account—State Appropriation (FY 2009)	\$3,395,000
Pension Funding Stabilization Account—State Appropriation	\$146,000
TOTAL APPROPRIATION	(((\$369,661,000))
	<u>\$379,301,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,786,000 of the general fund—state appropriation for fiscal year 2008 and \$2,785,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the parent child assistance program. The department shall contract with the University of Washington and community-based providers for the provision of this program. For all contractors, indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) \$11,113,000 of the general fund—state appropriation for fiscal year 2008, \$14,490,000 of the general fund—state appropriation for fiscal year 2009, and \$14,269,000 of the general fund—federal appropriation are provided solely for the expansion of chemical dependency treatment services for adult medicaid eligible and general assistance-unemployable patients authorized under the 2005-07 biennial appropriations act. By September 30, 2007, the department shall submit an expenditure and program report relating to the patients receiving treatment and other services pursuant to the funding provided in this subsection (2), as well as to other patients receiving treatment funded by the department. The report shall be submitted to the office of financial management and the appropriate policy and fiscal committees of the legislature. Subsequent updates to this report shall be provided by January 31 and July 31 of each fiscal year of the 2007-09 biennium. The reports shall include, but not necessarily be limited to, the following information: (a) The number and demographics (including categories) of patients served; (b) geographic distribution; (c) modality of treatment services provided (i.e. residential or out-patient); (d) treatment completion rates; (e) funds spent; and (f) where applicable, the estimated cost offsets in medical assistance on a total and per patient basis.

(3) \$698,000 of the general fund—state appropriation for fiscal year 2008, \$1,060,000 of the general fund—state appropriation for fiscal year 2009, and \$154,000 of the general fund—federal appropriation are provided solely for the expansion authorized under the 2005-07 biennial appropriations act of chemical dependency treatment services for minors who are under 200 percent of the federal poverty level. The department shall monitor the number and type of clients entering treatment, for purposes of determining potential cost offsets.

(4) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$145,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to contract for the following: (a) To continue an existing pilot program in Pierce county limited to individuals who began chemical dependency treatment using the prometa protocol prior to March 11, 2008; and (b) to contract with an independent evaluator who will, to the extent possible, evaluate the Pierce county pilot, as well as summarize other research on the efficacy of the prometa protocol.

(5) \$4,449,000 of the general fund—state appropriation for fiscal year 2009 and \$1,000,000 of the criminal justice treatment account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 6665 (crisis response), to continue existing pilot programs and to expand the intensive crisis response pilot to Spokane county. The continuation and expansion of the pilot programs expires June 30, 2009. If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(6) The department shall not reduce and shall continue to provide adult care and low-income treatment and detoxification services.

(7) The department shall not reduce and shall continue to support the families in recovery program.

(8) The department shall not reduce and shall continue the student employment program.

(9) The department shall not reduce and shall continue to provide funding for living allowances to clients in treatment under RCW 74.50.050.

(10) The department shall not reduce and shall continue to provide funding to drug courts for treatment.

(11) In addition to other reductions, the reduced appropriations in this section reflect an additional \$76,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

(12) The department shall not reduce and shall continue to secure and provide for evaluation training for assessing children with fetal alcohol spectrum disorders (FASD).

Sec. 1109. 2009 c 4 s 208 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
MEDICAL ASSISTANCE PROGRAM**

General Fund—State Appropriation (FY 2008)	\$1,602,827,000
General Fund—State Appropriation (FY 2009)	(((\$1,533,431,000))
	<u>\$1,453,789,000</u>
General Fund—Federal Appropriation	(((\$4,439,060,000))
	<u>\$4,669,537,000</u>
General Fund—Private/Local Appropriation	\$2,000,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,076,000
Health Services Account—State Appropriation (FY 2008)	\$388,946,000
Health Services Account—State	
Appropriation (FY 2009)	(((\$392,857,000))
	<u>\$364,314,000</u>
Tobacco Prevention and Control Account—State	
Appropriation	(((\$1,883,000))
	<u>\$1,727,000</u>
Pension Funding Stabilization Account—State	
Appropriation	\$646,000
TOTAL APPROPRIATION	(((\$8,376,726,000))
	<u>\$8,498,862,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Based on quarterly expenditure reports and caseload forecasts, if the department estimates that expenditures for the medical assistance program will exceed the appropriations, the department shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

(2) In determining financial eligibility for medicaid-funded services, the department is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(3) Sufficient amounts are appropriated in this section for the department to continue podiatry services for medicaid-eligible adults.

(4) Sufficient amounts are appropriated in this section for the department to provide an adult dental benefit that is at least equivalent to the benefit provided in the 2003-05 biennium.

(5) In accordance with RCW 74.46.625, \$6,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the department's discretion. During either the interim cost settlement or the final cost settlement, the department shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The department shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(6) \$1,111,000 of the health services account appropriation for fiscal year 2008, \$1,110,000 of the health services account appropriation for fiscal year 2009, \$5,402,000 of the general fund—federal appropriation, \$1,590,000 of the general fund—state appropriation for fiscal year 2008, and \$1,591,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for grants to rural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(7) \$10,546,000 of the health services account appropriation for fiscal year 2008, \$10,546,000 of the health services account—state appropriation for fiscal year 2009, and \$19,725,000 of the general fund—federal appropriation are provided solely for grants to nonrural hospitals. The department shall distribute the funds under a formula that provides a relatively larger share of the available funding to hospitals that (a) serve a disproportionate share of low-income and medically indigent patients and (b) have relatively smaller net financial margins, to the extent allowed by the federal medicaid program.

(8) The department shall continue the inpatient hospital certified public expenditures program for the 2007-2009 biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The department shall submit reports to the governor and legislature by November 1, 2007, and by November 1, 2008, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the

department shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2008 and fiscal year 2009, hospitals in the program shall be paid and shall retain (a) one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance; and (b) one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program, and (b) disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 that pertain to fiscal year 2005. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed within two years after the end of the related fiscal year. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$61,728,000 of the general fund—state appropriation for fiscal year 2008, of which \$6,570,000 is appropriated in section 204(1) of this act and the balance in this section, and (~~(\$47,745,000))~~ \$46,490,000 of the general fund—state appropriation for fiscal year 2009, of which \$6,570,000 is appropriated in section 204(1) of this act and the balance in this section, are provided solely for state grants for the participating hospitals.

(9) \$4,399,000 of the general fund—state appropriation for fiscal year 2008, (~~(\$6,391,000))~~ \$6,094,000 of the general fund—state appropriation for fiscal year 2009, and (~~(\$55,384,000))~~ \$53,470,000 of the general fund—federal appropriation are provided solely for development and implementation of a replacement system for the existing medicaid management information system. The amounts are conditioned on the department satisfying the requirements of section 902 of this act.

(10) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the department shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(11) The department is authorized to use funds appropriated in this section to purchase goods and supplies through direct contracting with vendors when the department determines it is cost-effective to do so.

(12) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(13) The department shall, within available resources, continue operation of the medical care services care management pilot project for clients receiving general assistance benefits in King and Pierce counties. The project may use a full or partial capitation model that includes a mechanism for shared savings.

(14) \$1,688,000 of the general fund—state appropriation for fiscal year 2008 and \$1,689,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to incorporate a mental health service component to the pilot project established pursuant to subsection (13) of this section. Addition of the mental health service component authorized in this subsection is contingent upon the managed care contractor or the participating counties providing, alone or in combination, matching funds in cash or in kind, in an amount equal to one-ninth of the amounts appropriated in this subsection. The mental health service component may include care coordination, mental health services, and integrated medical and mental health service delivery for general assistance clients with mental health disorders, as well as primary care provider training and education. The department shall provide a report to the appropriate committees of the legislature by January 1, 2009, on costs, savings, and any outcomes or quality measures associated with the pilot projects during calendar year 2007 and 2008. To the extent possible, the report shall address any impact that the mental health services component has had upon clients' use of medical services, including but not limited to primary care physician's visits, emergency room utilization, and prescription drug utilization.

(15) \$341,000 of the health services account appropriation for fiscal year 2008, \$1,054,000 of the health services account appropriation for fiscal year 2009, and \$1,461,000 of the general fund—federal appropriation are provided solely to implement Second Substitute House Bill No. 1201 (foster care youth medical). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$6,728,000 of the general fund—state appropriation for fiscal year 2008 and \$8,563,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to provide full benefit dual eligible beneficiaries with medicare part D prescription drug copayment coverage in accordance with chapter 3, Laws of 2007 (part D copayment drug program).

(17) The department shall conduct a study to determine the financial impact associated with continuing to cover brand name medications versus the same medication in its generic form. The study shall account for all rebates paid to the state on each product studied up until the point where the generic form is less expensive, net of federally required rebates. The department shall submit its report to the legislative fiscal committees by December 1, 2007.

(18) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$134,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the first two years of a four-year project by the Seattle-King county health department to improve management of symptoms and reduce complications related to asthma among medicaid eligible children. The department shall contract with the Seattle-King county health department to have trained community health workers visit medicaid eligible children in their

homes to identify and reduce exposure to asthma triggers, improve clients' self-management skills, and coordinate clients' care with their primary care and specialty providers. The contract shall include an evaluation of the impact of the services provided under the contract on urgent physician's visits, emergency room utilization, and inpatient hospitalization.

(19) \$1,529,000 of the general fund—state appropriation for fiscal year 2008 and \$1,624,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for development and implementation of an outreach program as provided in chapter 5, Laws of 2007 (Second Substitute Senate Bill No. 5093, health services for children).

(a) By December 15, 2007, the department shall provide a report to the appropriate committees of the legislature on the progress of implementing the following activities:

(i) Feasibility study and implementation plan to develop online application capability that is integrated with the department's automated client eligibility system;

(ii) Development of data linkages with the office of superintendent of public instruction for free and reduced-price lunch enrollment information and the department of early learning for child care subsidy program enrollment information;

(iii) Informing insurers and providers when their enrollees' eligibility is going to expire so insurers and providers can help families reenroll;

(iv) Outreach contracts with local governmental entities, community based organizations, and tribes;

(v) Results of data sharing with outreach contractors, and other contracted entities such as local governments, community-based organizations, tribes, health care providers, and insurers to engage, enroll, and reenroll identified children;

(vi) Results of efforts to maximize federal matching funds, wherever possible; and

(vii) Plans for sustaining outreach programs proven to be successful.

(b)(i) Within the amounts provided under this subsection (19), sufficient funding is provided to the department to develop and implement in conjunction with the employment security department a plan that would:

(A) Allow applicants and recipients of unemployment insurance to request assistance with obtaining health coverage for household members; and

(B) Authorize the exchange of information between the employment security department and the department of social and health services to more efficiently determine eligibility for health coverage under chapter 74.09 RCW.

(ii) The plan developed in (b)(i) of this subsection should address permissible uses of federal employment security funding and infrastructure, identification of any necessary statutory changes, and cost information. The department shall submit the plan in a report to the governor and the appropriate committees of the legislature by November 15, 2008.

(20) \$640,000 of the general fund—state appropriation for fiscal year 2008 and \$616,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a medicare advantage program. The department shall:

(a) Pay the premiums associated with enrollment in a medicare advantage plan for those full benefit dual eligible beneficiaries, as defined in RCW

74.09.010, who were enrolled on or before November 14, 2006 in a medicare advantage plan sponsored by an entity accredited by the national committee for quality assurance and for whom the department had been paying Part C premium as of November 2006; and

(b) Undertake, directly or by contract, a study to determine the cost-effectiveness of paying premiums for enrollment of full benefit dual eligible beneficiaries in medicare advantage plans in lieu of paying full benefit dual eligible beneficiaries' medicare cost-sharing. The study shall compare the cost and health outcomes experience, including rates of nursing home placement and costs for groups of full benefit dual eligible beneficiaries who are enrolled in medicare advantage plans, in medicare special needs plan or in medicare fee-for-service. The study shall compare the health status and utilization of health and long-term care services for the three groups, and the impact of access to a medical home and specialty care, over a period of two years to determine any differences in health status, health outcomes, and state expenditures that result. The department shall submit the results of the study to the governor and the legislature by June 30, 2009. The department is authorized to accept private cash and in-kind donations and grants to support the study and evaluation.

(c) Track enrollment and expenditures for this population on department monthly management reports.

(21) The department may not transition to managed care delivery any population that has been primarily served under fee-for-service delivery unless the department first conducts a cost-effectiveness evaluation of the transition, including an evaluation of historical data on utilization patterns, and finds that the transition would result in a more effective and cost-efficient form of service delivery, pursuant to RCW 74.09.470. Any such finding must be provided to the governor and the legislature no less than ninety days before the transition begins.

(22) \$756,000 of the general fund—state appropriation for fiscal year 2008, \$1,193,000 of the general fund—state appropriation for fiscal year 2009, \$1,261,000 of the health services account—state appropriation for fiscal year 2009, and \$2,448,000 of the general fund—federal appropriation are provided solely to implement sections 5, 7, 8, and 11 of Second Substitute House Bill No. 1088 (children's mental health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) \$288,000 of the general fund—state appropriation for fiscal year 2008, \$277,000 of the general fund—state appropriation for fiscal year 2009, and \$566,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon comm/health care). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(24) \$45,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department of social and health services, in consultation with the health care authority and the employment security department, to prepare and submit a report and recommendations to the governor and the legislature related to coverage of low-wage workers enrolled on state plans who are employed by employers with more than fifty employees. The report shall address multiple approaches, including but not limited to the proposal included in House Bill No. 2094 (taxpayer health care fairness act). The discussion of each approach included in the report should identify how the approach would

further the goal of shared responsibility for coverage of low-wage workers, obstacles to implementation and options to address them, and estimated implementation costs. The report shall be submitted on or before November 15, 2007. The agencies shall establish a workgroup, which shall be closely involved and consulted in the development of the report and recommendations under this subsection. The workgroup shall include the following participants: Persons or organizations representing large employers in the retail, agricultural and grocery trades, other large employers, organizations representing employees of large employers, organizations representing low-wage employees of large employers, state and local governmental entities as employers, and organizations representing employees of state and local governmental entities. In addition, the workgroup shall include three members from each of the two largest caucuses of the house of representatives, appointed by the speaker, and three members from each of the two largest caucuses of the senate, appointed by the president of the senate.

(25) \$1,883,000 of the tobacco prevention and control account—state appropriation and \$1,742,000 of the general fund—federal appropriation are for the provision of smoking cessation benefits pursuant to Senate Bill No. 6421 (smoking cessation). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(26) As part of the five-year plan on state purchasing to improve health care quality under chapter 259, Laws of 2007, the department, in collaboration with the department of health, shall provide a report to the appropriate committees of the legislature outlining a strategy to improve immunization rates for all children in the state, including but not limited to vaccine administration fee increases and pay-for-performance incentives. The department shall submit the report to the governor and the health policy and fiscal committees of the legislature by November 1, 2008.

(27) Within existing funds, the department shall evaluate the fiscal impact of the federal upper limits on medicaid reimbursement to pharmacies implemented under the federal deficit reduction act, and report its findings to the legislature by December 1, 2008.

(28)(a) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for a feasibility study to examine processes and systems that would expeditiously link persons released from confinement in state and local correctional facilities and institutions for mental diseases to medical assistance benefits for which they qualify. The study shall present an analysis of the costs and benefits associated with:

(i) Suspending eligibility for persons who were receiving medical assistance at the time their confinement began, such that upon the person's release from confinement, medical assistance benefits would immediately resume without the filing of a new application. In the evaluation of eligibility suspension, the department shall examine process modifications that would allow confined persons to recertify eligibility before or immediately after release from confinement;

(ii) Improving the efficiency and expanding the scope of the expedited medical assistance reinstatement and eligibility determination process established under RCW 74.09.555, including extending the process to persons other than those with mental disorders, both for persons who had been

previously eligible before confinement and for persons who had not been eligible before confinement;

(iii) Providing medical and mental health evaluations to determine disability for purposes of the medical assistance program before the person's release from confinement; and

(iv) Notifying the department in a timely manner when a person who has been enrolled in medical assistance is confined in a state correctional institution or institution for mental diseases or is released from confinement.

(b) In conducting the study, the department shall collaborate with the Washington association of sheriffs and police chiefs, the department of corrections, the regional support networks, department field offices, institutions for mental diseases, and correctional institutions. The department shall submit the study to the governor and the legislature by November 15, 2008.

(29) \$50,000 of the general fund—state appropriation for fiscal year 2009 and \$50,000 of the general fund—federal appropriation are provided solely for implementation of the agency's responsibilities in Engrossed Second Substitute House Bill No. 2549 (patient-centered primary care). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(30) The department shall not reduce and shall continue to provide family planning nurses and supplies at community services offices.

(31) The department shall not eliminate and shall continue to provide a nurse hotline for foster parents.

(32) The department shall not reduce and shall provide medical assistance to children under three-hundred percent of the federal poverty level.

(33) The department shall not reduce and shall continue to provide maternity support services to pregnant and postpartum women.

~~(34) ((The department shall not reduce and shall continue to provide transportation services to patients receiving adult day health services.~~

~~(35))~~ (35) The department shall continue children's health coverage outreach and education efforts. These efforts shall rely on existing relationships and systems developed to implement the program under RCW 74.09.470, such as those with local public health agencies, health care providers, public schools, the women, infants, and children program, the early childhood education and assistance program, child care providers, newborn visiting nurses, and other community-based organizations. The department shall seek public-private partnerships and federal funds that may become available to provide on-going support for outreach and education efforts.

~~((36))~~ (36) The department shall reduce expenditures on pharmaceuticals and durable medical equipment.

~~((37))~~ (37) The department shall not reduce hospital rates.

~~((38))~~ (38) In addition to other reductions, the reduced appropriations in this section reflect an additional \$1,062,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1110. 2009 c 4 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
VOCATIONAL REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2008)	\$11,543,000
General Fund—State Appropriation (FY 2009)	(\$8,182,000)
	<u>\$8,170,000</u>
General Fund—Federal Appropriation	(\$95,975,000)
	<u>\$100,521,000</u>
Telecommunications Devices for the Hearing and Speech Impaired—State Appropriation	\$1,975,000
Pension Funding Stabilization Account—State Appropriation	\$116,000
TOTAL APPROPRIATION	(\$117,791,000)
	<u>\$122,325,000</u>

Sec. 1111. 2009 c 4 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
SPECIAL COMMITMENT PROGRAM**

General Fund—State Appropriation (FY 2008)	\$52,506,000
General Fund—State Appropriation (FY 2009)	(\$52,216,000)
	<u>\$51,478,000</u>
TOTAL APPROPRIATION	(\$104,722,000)
	<u>\$103,984,000</u>

Sec. 1112. 2009 c 4 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund—State Appropriation (FY 2008)	\$59,085,000
General Fund—State Appropriation (FY 2009)	(\$52,540,000)
	<u>\$53,620,000</u>
General Fund—Federal Appropriation	(\$53,302,000)
	<u>\$53,864,000</u>
TOTAL APPROPRIATION	(\$164,927,000)
	<u>\$166,569,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$235,000 of the general fund—state appropriation for fiscal year 2009 and \$111,000 of the general fund—federal appropriation are provided solely to implement sections 2 and 3 of Engrossed Second Substitute House Bill No. 3205 (child long-term well-being). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

Sec. 1113. 2009 c 4 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

General Fund—State Appropriation (FY 2008)	\$1,000,000
General Fund—State Appropriation (FY 2009)	<u>\$500,000</u>
General Fund—Federal Appropriation	\$4,934,000
State Health Care Authority Administrative Account— State Appropriation	\$41,497,000

State Health Care Authority Administrative Account—

Private/Local Appropriation	\$100,000
Medical Aid Account—State Appropriation	\$527,000
Health Services Account—State Appropriation (FY 2008).	\$271,478,000
Health Services Account—State Appropriation (FY 2009).	(\$291,795,000)
	<u>\$289,124,000</u>
TOTAL APPROPRIATION	(\$611,331,000)
	<u>\$609,160,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(2) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(3) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(4) Appropriations in this act include specific funding for health records banking under section 10 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

(5) \$11,934,000 of the health services account—state appropriation for fiscal year 2008 and \$11,834,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for funding for health care services provided through local community clinics.

(6) \$784,000 of the health services account—state appropriation for fiscal year 2008, \$540,000 of the general fund—federal appropriation, and \$8,200,000 of the state health care authority administrative account—state appropriation are provided for the development of a new benefits administration and insurance accounting system.

(7) \$2,000,000 of the health services account—state appropriation for fiscal year 2009 is provided solely for the authority to provide one-time competitive grants to community health centers to increase the number of adults served on an ongoing basis. Each clinic receiving grant funding shall report annually, beginning December 2008, on key adult access indicators established by the authority, including but not limited to increases in the number of low-income adults served.

(8) \$1,639,000 of the health services account—state appropriation for fiscal year 2008 is provided solely for section 5 of Engrossed Second Substitute House Bill No. 1569 (health insurance partnership board) and related provisions of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(9) \$664,000 of the health services account—state appropriation for fiscal year 2008 is provided solely for the implementation of the Washington quality forum, pursuant to section 9 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(10) \$600,000 of the state health care authority administrative account—state appropriation is provided solely for the implementation of the state employee health pilot, pursuant to section 41 of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the section is not enacted by June 2007, the amounts provided in this subsection shall lapse.

(11) \$250,000 of the health services account—state appropriation for fiscal year 2008 and \$250,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for continuation of the community health collaborative grant program in accordance with chapter 67, Laws of 2006 (E2SSB 6459). The applicant organizations must assure measurable improvements in health access within their service region, demonstrate active collaboration with key community partners, and provide two dollars in matching funds for each grant dollar awarded.

(12) \$731,000 of the health services account—state appropriation for fiscal year 2008 and \$977,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for the dental residency program, including maintenance of the existing residency positions and the establishment of six additional resident positions in fiscal year 2008 (four in eastern Washington and two in the Seattle area), and five additional positions in fiscal year 2009.

(13) Appropriations in this act include funding for sections 14 (reducing unnecessary emergency room use) and 40 (state employee health program) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission).

(14) \$100,000 of the health services account—state appropriation for fiscal year 2009 is provided solely for implementation of the agency's responsibilities in Engrossed Second Substitute House Bill No. 2549 (patient-centered primary care). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

Sec. 1114. 2009 c 4 s 214 (uncodified) is amended to read as follows:

FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2008)	\$3,377,000
General Fund—State Appropriation (FY 2009)	\$3,580,000
General Fund—Federal Appropriation	(\$1,523,000)
	<u>\$1,723,000</u>
TOTAL APPROPRIATION	(\$8,480,000)
	<u>\$8,680,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$115,000 of the general fund—state appropriation for fiscal year 2008 and \$190,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute Senate Bill No. 6776 (whistleblower protections). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

Sec. 1115. 2009 c 4 s 215 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account—State Appropriation	\$20,000
Accident Account—State Appropriation	(\$17,963,000)
	<u>\$18,045,000</u>
Medical Aid Account—State Appropriation	(\$17,964,000)
	<u>\$18,046,000</u>
TOTAL APPROPRIATION	(\$35,947,000)
	<u>\$36,111,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$82,000 of the accident account—state appropriation for fiscal year 2009 and \$82,000 of the medical aid account—state appropriation for fiscal year 2009 are provided solely for implementation of chapter 280, Laws of 2008 (industrial insurance orders).

Sec. 1116. 2009 c 4 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2009)	\$306,000
Public Safety and Education Account—State Appropriation (FY 2008)	\$15,680,000
Public Safety and Education Account—State Appropriation (FY 2009)	(\$21,445,000)
	<u>\$21,320,000</u>
Death Investigations Account—State Appropriation	\$148,000
Municipal Criminal Justice Assistance Account— State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account— State Appropriation	\$12,322,000
TOTAL APPROPRIATION	(\$50,361,000)
	<u>\$50,236,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) During the 2007-2009 biennium, the criminal justice training commission is authorized to raise existing fees charged for firearms certification for security guards in excess of the fiscal growth factor established pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting the certification programs and the appropriation levels in this section.

(2) \$2,390,000 of the public safety and education account—state appropriation for fiscal year 2008 and (~~(\$1,809,000))~~ \$1,684,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for ten additional basic law enforcement academies in fiscal year 2008 and (~~(nine))~~ eight additional basic law enforcement academies in fiscal year 2009.

(3) \$1,044,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$1,191,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for the Washington association of sheriffs and police chiefs to continue to develop, maintain, and operate the jail booking and reporting system (JBRS) and the statewide automated victim information and notification system (SAVIN).

(4) \$28,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of chapter 10, Laws of 2007 (SSB 5191, missing persons).

(5) \$5,400,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$6,922,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(6) \$150,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$150,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely to deliver multi-disciplinary team training sessions aimed at improving the coordination of, and communication between, agencies involved in the investigation of child fatality, child sexual abuse, child physical abuse, and criminal neglect cases.

(7) \$25,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5987 (gang-related offenses). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$50,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$50,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely for support of the coalition of small police agencies major crimes task force. The purpose of this task force is to pool its resources and to establish an efficient and cooperative approach in addressing major violent crimes.

(9) \$20,000 of the public safety and education account—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5315 (forest fires/property access). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) \$5,000,000 of the public safety and education account—state appropriation for fiscal year 2009 is provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of all registered sex offenders and kidnapping offenders under RCW 9A.44.130. The Washington association of sheriffs and police chiefs shall:

(a) Enter into performance-based agreements with units of local government to ensure that registered offender address and residency are verified:

(A) For level I offenders, every twelve months;

(B) For level II offenders, every six months; and

(C) For level III offenders, every three months.

For the purposes of this subsection, unclassified offenders and kidnapping offenders shall be considered at risk level I unless in the opinion of the local jurisdiction a higher classification is in the interest of public safety.

(b) Collect performance data from all participating jurisdictions sufficient to evaluate the efficiency and effectiveness of the address and residency verification program.

(c) Submit a report on the effectiveness of the address and residency verification program to the governor and the appropriate committees of the house of representatives and senate by September 1, 2009.

The Washington association of sheriffs and police chiefs may retain up to three percent of the amount provided in this subsection for the cost of administration. Any funds not disbursed for address and residency verification or retained for administration may be allocated to local prosecutors for the prosecution costs associated with failing to register offenses.

(11) \$750,000 of the public safety and education fund—state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2712 (criminal street gangs). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(12) \$306,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for a grant program to pay for the costs of local law enforcement agencies participating in specialized crisis intervention training.

Sec. 1117. 2009 c 4 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund—State Appropriation (FY 2008)	\$8,716,000
General Fund—State Appropriation (FY 2009)	\$8,624,000
General Fund—Federal Appropriation	\$100,000
Public Safety and Education Account—State	
Appropriation (FY 2008)	\$15,393,000
Public Safety and Education Account—State	
Appropriation (FY 2009)	\$16,525,000
Public Safety and Education Account—Federal	
Appropriation	\$10,000,000
Asbestos Account—State Appropriation	\$908,000
Electrical License Account—State Appropriation	\$41,104,000
Farm Labor Revolving Account—Private/Local	
Appropriation	\$28,000
Worker and Community Right-to-Know Account—State	
Appropriation	\$1,941,000

Public Works Administration Account—State	
Appropriation	\$3,948,000
Manufactured Home Installation Training Account—	
State Appropriation	\$192,000
Accident Account—State Appropriation	(\$232,295,000)
	<u>\$232,617,000</u>
Accident Account—Federal Appropriation	\$13,622,000
Medical Aid Account—State Appropriation	(\$235,445,000)
	<u>\$235,766,000</u>
Medical Aid Account—Federal Appropriation	\$3,186,000
Plumbing Certificate Account—State Appropriation	\$1,634,000
Pressure Systems Safety Account—State	
Appropriation	\$3,646,000
TOTAL APPROPRIATION	(\$597,307,000)
	<u>\$597,950,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,413,000 of the medical aid account—state appropriation is provided solely for conducting utilization reviews of physical and occupational therapy cases at the 24th visit and the associated administrative costs, including those of entering data into the claimant's file. The department shall develop and report performance measures and targets for these reviews to the office of financial management. The reports are due September 30th for the prior fiscal year and must include the amount spent and the estimated savings per fiscal year.

(2) \$2,247,000 of the medical aid account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(3) \$822,000 of the medical aid account—state appropriation is provided solely for vocational services professional staff salary adjustments necessary to recruit and retain positions required for anticipated changes in work duties as a result of Engrossed Substitute Senate Bill No. 5920 (vocational rehabilitation). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse. Compensation for anticipated changes to work duties is subject to review and approval by the director of the department of personnel and is subject to collective bargaining.

(4) \$8,000,000 of the medical aid account—state appropriation is provided solely to establish a program of safety and health as authorized by RCW 49.17.210 to be administered under rules adopted pursuant to chapter 34.05 RCW, provided that projects funded involve workplaces insured by the medical aid fund, and that priority is given to projects fostering accident prevention through cooperation between employers and employees or their representatives.

(5) \$600,000 of the medical aid account—state appropriation is provided solely for the department to contract with one or more independent experts to evaluate and recommend improvements to the rating plan under chapter 51.18 RCW, including analyzing how risks are pooled, the effect of including worker premium contributions in adjustment calculations, incentives for accident and

illness prevention, return-to-work practices, and other sound risk-management strategies that are consistent with recognized insurance principles.

(6) \$181,000 of the accident account—state appropriation and \$181,000 of the medical aid account—state appropriation are provided solely to implement Substitute Senate Bill No. 5443 (workers' compensation claims). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$558,000 of the medical aid account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5290 (workers' compensation advisory committees). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$104,000 of the public safety and education account—state appropriation for fiscal year 2008, \$104,000 of the public safety and education account—state appropriation for fiscal year 2009, \$361,000 of the accident account—state appropriation, and \$361,000 of the medical aid account—state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5675 (workers' compensation benefits). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(9) \$730,000 of the medical aid account—state appropriation is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(10) \$437,000 of the accident account—state appropriation and \$437,000 of the medical aid account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5053 (industrial insurance ombudsman). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$74,000 of the accident account—state appropriation and \$74,000 of the medical aid—state appropriation are provided solely for implementation of Engrossed Substitute Senate Bill No. 5915 (notices to employers). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$605,000 of the accident account—state appropriation for fiscal year 2008 is provided solely for a study of the incidence of permanent total disability pensions in the state's workers' compensation system. To conduct the study, the department shall contract with an independent researcher that has demonstrated expertise in workers' compensation systems. When selecting the independent researcher, the department shall consult the labor and business members of the workers' compensation advisory committee and, if the labor and business members of the workers' compensation advisory committee agree on a particular independent researcher, the department shall select that independent researcher. The study must consider causes of the recent increase in permanent total disability cases, future anticipated permanent total disability trends, a comparison of Washington's permanent total disability claims experience and injured workers with other states and jurisdictions, the impact of the standard for finding workers employable on the incidence of permanent total disability pensions, and the impact of vocational rehabilitation under RCW 51.32.095 on the incidence of permanent total disability pensions. The department shall report to the workers' compensation advisory committee, the house of representatives

commerce and labor committee, and the senate labor, commerce, research and development committee on the results of the study on or before July 1, 2008.

(13) \$1,089,000 of the accident account—state appropriation and \$192,000 of the medical aid account—state appropriation are provided solely for implementation of chapter 27, Laws of 2007 (ESHB 2171, crane safety).

(14) \$100,000 of the general fund—federal appropriation and \$192,000 of the manufactured home installation training account—state appropriation are provided solely for Substitute House Bill No. 2118 (mobile/manufactured homes). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$107,000 of the accident account—state appropriation and \$107,000 of the medical aid account—state appropriation are provided solely to implement Senate Bill No. 6839 (workers' compensation coverage). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(16) (~~(\$224,000)~~) \$169,000 of the general fund—state appropriation for fiscal year 2009, \$741,000 of the accident account—state appropriation, and \$741,000 of the medical aid account—state appropriation are provided solely for implementation of Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(17) \$408,000 of the accident account—state appropriation and \$72,000 of the medical aid account—state appropriation are provided solely to implement Substitute House Bill No. 2602 (victims' employment leave). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(18) \$3,000 of the public safety and education account—state appropriation for fiscal year 2008 and \$3,000 of the public safety and education account—state appropriation for fiscal year 2009 are provided solely to implement Substitute Senate Bill No. 6246 (industrial insurance claims). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(19) \$40,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the department to conduct a review of the need for regulation of general and specialty contractors involved in the repair, alteration, or construction of single-family homes using the public interest criteria set forth in RCW 18.118.010 and as generally described in Second Substitute House Bill No. 3349 (residential contractors). By October 1, 2008, the department and the department of licensing shall report their findings to the appropriate committees of the legislature.

(20) (~~The department of labor and industries shall enter into an interagency agreement with the employment security department to expend funds from the family leave insurance account for the implementation of the family leave insurance program.~~

(~~21~~)) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section and by not more than 5.53 percent in fiscal year 2008: Boiler inspection permits and fees; boiler permit fees; plumbers' continuing education; and plumbers' licensing and examination fees.

(21) \$256,000 of the accident account—state appropriation and \$256,000 of the medical aid account—state appropriation are provided solely for implementation of chapter 280, Laws of 2008 (industrial insurance orders).

Sec. 1118. 2009 c 4 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2008)	\$2,124,000
General Fund—State Appropriation (FY 2009)	\$1,926,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
TOTAL APPROPRIATION	\$4,060,000

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2008)	\$5,264,000
General Fund—State Appropriation (FY 2009)	\$5,476,000
General Fund—Federal Appropriation	(\$1,025,000)
	<u>\$1,332,000</u>
General Fund—Private/Local Appropriation	(\$3,317,000)
	<u>\$3,640,000</u>
Veterans Innovations Program Account Appropriation	\$1,437,000
Veteran Estate Management Account—Private/Local Appropriation	\$1,062,000
TOTAL APPROPRIATION	(\$17,581,000)
	<u>\$18,211,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$440,000 of the general fund—state appropriation for fiscal year 2008 and \$560,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute Senate Bill No. 5164 (veterans' conservation corps). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(b) The department shall not reduce field service contracts.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2008)	\$7,948,000
General Fund—State Appropriation (FY 2009)	(\$5,484,000)
	<u>\$4,833,000</u>
General Fund—Federal Appropriation	(\$43,120,000)
	<u>\$43,207,000</u>
General Fund—Private/Local Appropriation	(\$31,569,000)
	<u>\$32,241,000</u>
TOTAL APPROPRIATION	(\$88,121,000)
	<u>\$88,229,000</u>

Sec. 1119. 2009 c 4 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2008)	\$81,232,000
General Fund—State Appropriation (FY 2009)	(\$80,596,000)
	<u>\$80,719,000</u>

General Fund—Federal Appropriation	\$477,065,000
General Fund—Private/Local Appropriation	(\$119,875,000)
	<u>\$135,219,000</u>
Hospital Commission Account—State Appropriation	(\$144,000)
	<u>\$215,000</u>
Health Professions Account—State Appropriation	(\$68,726,000)
	<u>\$69,054,000</u>
Aquatic Lands Enhancement Account—State Appropriation	\$600,000
Emergency Medical Services and Trauma Care Systems Trust Account—State Appropriation	\$12,606,000
Safe Drinking Water Account—State Appropriation	\$3,041,000
Public Health Services Account—State Appropriation	\$1,000,000
Drinking Water Assistance Account—Federal Appropriation	\$19,027,000
Waterworks Operator Certification—State Appropriation	\$1,513,000
Drinking Water Assistance Administrative Account— State Appropriation	\$326,000
Water Quality Account—State Appropriation (FY 2008)	\$1,975,000
Water Quality Account—State Appropriation (FY 2009)	\$1,983,000
State Toxics Control Account—State Appropriation	\$3,460,000
Medical Test Site Licensure Account—State Appropriation	\$2,055,000
Youth Tobacco Prevention Account—State Appropriation	\$1,512,000
Public Health Supplemental Account—Private/Local Appropriation	\$3,918,000
Accident Account—State Appropriation	\$291,000
Medical Aid Account—State Appropriation	\$48,000
Health Services Account—State Appropriation (FY 2008)	\$42,122,000
Health Services Account—State Appropriation (FY 2009)	(\$49,729,000)
	<u>\$46,398,000</u>
Tobacco Prevention and Control Account—State Appropriation	(\$52,846,000)
	<u>\$47,846,000</u>
TOTAL APPROPRIATION	(\$1,025,690,000)
	<u>\$1,033,225,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The department is authorized to raise existing fees charged for its fee-supported programs in excess of the fiscal growth factor pursuant to RCW 43.135.055, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section. Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is further authorized to increase fees in its fee-

supported programs as necessary to meet the actual costs of conducting business and the appropriation levels in this section, as specifically authorized in LEAP Document DOH-2008, as developed by the legislative evaluation and accountability program on March 11, 2008.

(2) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3) \$877,000 of the health professions account appropriation is provided solely for implementation of Substitute House Bill No. 1099 (dental professions). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(4) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$24,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 2304 (cardiac care services). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) \$138,000 of the general fund—state appropriation for fiscal year 2008 and \$220,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for an evaluation of chronic care provider training.

(6) \$51,000 of the general fund—state appropriation for fiscal year 2008 and \$24,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5297 (sex education). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(7) \$103,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute House Bill No. 1837 (nonambulatory persons). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$201,000 of the general fund—private/local appropriation is provided solely for the implementation of Substitute House Bill No. 2087 (health care facilities). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(9) \$293,000 of the general fund—state appropriation for fiscal year 2008 and \$287,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for public service announcements regarding childhood lead poisoning, information pamphlets, rule development, and for early identification of persons at risk of having elevated blood-lead levels, which includes systematically screening children under six years of age and other target

populations identified by the department. Priority will be given to testing children and increasing the registry in the lead surveillance program.

(10) \$101,000 of the general fund—state appropriation for fiscal year 2008, \$81,000 of the general fund—state appropriation for fiscal year 2009, and \$6,000 of the general fund—private/local appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1414 (ambulatory surgical facilities). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$55,000 of the health professions account appropriation is provided solely for the implementation of Substitute House Bill No. 1397 (massage therapy). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12) \$58,000 of the general fund—private/local appropriation is provided solely for the implementation of Senate Bill No. 5398 (specialty hospitals). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(13) \$34,000 of the general fund—state appropriation for fiscal year 2008, \$44,000 of the general fund—state appropriation for fiscal year 2009, and \$224,000 of the oyster reserve land account—state appropriation are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$571,000 of the general fund—state appropriation for fiscal year 2008 and \$458,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Second Substitute House Bill No. 1106 (hospital acquired infections). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$4,000,000 of the general fund—state appropriation for fiscal year 2008, \$5,000,000 of the general fund—state appropriation for fiscal year 2009, and \$1,000,000 of the public health services account—state appropriation are provided solely for department of health-funded family planning clinics to increase the capacity of the clinics to provide family planning and reproductive health services to low-income men and women who are not otherwise eligible for services through the department of social and health services medical assistance program and for clinical or other health services associated with sexually transmitted disease testing through the infertility prevention project. Funds appropriated and expended under this subsection for fiscal year 2009 shall be distributed in a manner that allocates funding to department of health-funded family planning clinics based upon the percentage of medical assistance family planning waiver clients in calendar year 2005 who received services from a provider located in the geographic area served by the department of health-funded clinic. Of these amounts, the department is authorized to expend up to \$1,000,000 of its general fund—state appropriation for fiscal year 2009 for services provided in fiscal year 2008, if necessary, to offset reductions in federal funding.

(16) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 is for one-time funding to purchase and store antiviral medications to be used in accordance with the state pandemic influenza response plan. These

drugs are to be purchased through the United States department of health and human services to take advantage of federal subsidies.

(17) \$147,000 of the general fund—state appropriation for fiscal year 2008 and \$32,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department of health to provide relevant information on measures taken to facilitate expanded use of reclaimed water pursuant to Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$550,000 of the general fund—state appropriation for fiscal year 2008 and \$550,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the lifelong AIDS alliance to restore lost federal funding.

(19) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for medical nutritional therapy for people with HIV/AIDS and other low-income residents in King county with chronic illnesses.

(20) \$645,000 of the general fund—state appropriation for fiscal year 2008 and \$645,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the neurodevelopmental center system, which provides therapy and medical services for young, low-income children with developmental disabilities.

(21) \$100,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to continue the autism task force established by chapter 259, Laws of 2005, through June 30, 2008. The task force shall:

(a) Review and continue to refine criteria for regional autism centers throughout Washington state based on community needs in each area, and address the role of autism centers within the larger context of developmental disabilities;

(b) Prioritize its December 2006 recommendations and develop an implementation plan for the highest priorities. The plan should detail how systems will coordinate to improve service and avoid duplication between state agencies including the department of social and health services, department of health, office of superintendent of public instruction, as well as school districts, autism centers, and local partners and providers. The plan shall also estimate the costs of the highest priority recommendations and report to the legislature and governor by December 1, 2007;

(c) Compile information for and draft the "Washington Service Guidelines for Individuals with Autism - Birth Through Lifespan" book described in the task force's recommendations. Funding to print and distribute the book is expected to come from federal or private sources; and

(d) Monitor the federal combating autism act and its funding availability and make recommendations on applying for grants to assist in implementation of the 2006 task force recommendations. The department of health shall be the lead agency in providing staff for the task force. The department may seek additional staff assistance from the office of the superintendent of public instruction and the committee staff of the legislature. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses.

(22) \$200,000 of the general fund—state appropriation for fiscal year 2008 and \$200,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of the Washington state hepatitis C strategic plan.

(23) \$142,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5403 (animal massage practitioners). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) \$174,000 of the health professions account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5503 (athletic trainers). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) \$75,000 of the health professions account appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 5292 (physical therapist assistants). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(26) \$94,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Engrossed Second Substitute Senate Bill No. 6032 (medical use of marijuana). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(27) \$386,000 of the general fund—state appropriation for fiscal year 2008 and \$384,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Substitute Senate Bill No. 5894 (large on-site sewage systems). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(28) \$1,721,000 of the health professions account appropriation is provided solely for the implementation of sections 11 and 12 (medical information) of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). If the sections are not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(29) \$10,000,000 of the health services account—state appropriation for fiscal year 2008 and \$10,000,000 of the health services account—state appropriation for fiscal year 2009 are provided solely for distribution to local health jurisdictions and for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care), subject to the following conditions and limitations:

(a) During the month of January 2008, and January 2009, the department of health shall distribute funds appropriated in this section to local health jurisdictions, less an amount not to exceed five percent for the costs of administering the public health related sections of Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care). The amount of funding for distribution to a jurisdiction before the administrative deduction shall be the greater of: (i) One hundred thousand dollars; or (ii) (A) a base level of funding of seventy-five thousand dollars plus the per capita amount, for a jurisdiction with a population of four hundred thousand persons or fewer; or (B) a base level of funding of twenty-five thousand dollars plus the per capita amount, for a jurisdiction with a population greater than four hundred thousand persons. Amounts distributed under this subsection must be used to fund core

public health functions of statewide significance as defined in Engrossed Second Substitute Senate Bill No. 5930 (blue ribbon commission on health care).

(b) For the purposes of this subsection:

(i) "Per capita amount" means an amount equal to seven million five hundred thousand dollars multiplied by the proportion of the population of the jurisdiction in the previous calendar year to the population of the state in the previous calendar year.

(ii) "Population" means the number of persons as last determined by the office of financial management. If the jurisdiction comprises a single county, "population" means the number of persons in the county. For a jurisdiction comprising two or more counties, "population" means the number of persons in all counties comprising the jurisdiction.

(iii) "Local health jurisdiction" or "jurisdiction" means a county board of health organized under chapter 70.05 RCW, a health district organized under chapter 70.46 RCW, or a combined city and county health department organized under chapter 70.08 RCW.

(c) The department may adopt rules necessary to administer this subsection.

(30) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the health professions account—state appropriation are provided solely for an evaluation of the economic benefits to the state's health care system of the midwifery licensure and regulatory program under chapter 18.50 RCW. In particular, the department shall contract with a consultant to conduct a review of existing research literature on whether these economic benefits exceed the state expenditures to subsidize the cost of the midwifery licensing and regulatory program under RCW 43.70.250. The evaluation shall include an assessment of the economic benefits to consumers who elect to have out-of-hospital births with midwives, including any reduced use of procedures that increase the costs of childbirth. The department shall submit the report to the appropriate policy and fiscal committees of the legislature by January 1, 2008.

(31) \$147,000 of the health professions account—state appropriation is provided solely for the department of health to convene a work group to develop recommendations regarding the need to regulate those individuals currently registered with the department of health as counselors. The department of health shall submit recommendations of the work group to the legislature and governor by November 15, 2007. Based on the recommendations of the work group, the department of health shall draft credentialing guidelines for all registered counselors by January 1, 2008. Guidelines shall include education in risk assessment, ethics, professional standards, and deadlines for compliance.

(32) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the implementation of Second Substitute Senate Bill No. 6483 (local food production). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(33) \$400,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the senior falls prevention pilot program, pursuant to section 7 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs).

(34) \$585,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the Washington state breast and cervical health program to

increase the provider reimbursement rate for digital mammographies to the medicare equivalent rate.

(35) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the child death review program. The program shall be transferred from the community and family health division to the injury prevention division within the department.

(36) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the northwest sickle cell collaborative program.

(37) \$77,000 of the general fund—state appropriation for fiscal year 2008 and \$154,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the restoration of maxillofacial/cleft palate teams in Yakima, Spokane, Seattle, and Tacoma.

(38) \$17,000 of the health professions account—state appropriation is provided solely to implement Second Substitute Senate Bill No. 6220 (nurse delegation) or sections 11 and 12 of Engrossed Second Substitute House Bill No. 2668 (long-term care programs). If neither bill is enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(39) \$11,000 of the health professions account—state appropriation is provided solely to implement Substitute Senate Bill No. 6439 (radiologist assistants). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(40) \$115,000 of the general fund—state appropriation for fiscal year 2009 and \$4,261,000 of the health professions account—state appropriation are provided solely for implementation of Fourth Substitute House Bill No. 1103 (health professions). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(41) \$558,000 of the health professions account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 2674 (counselor credentialing). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(42) The department of licensing and the department of health shall jointly review and report to the appropriate policy committees of the legislature by December 1, 2008, recommendations for implementing a process of holding in abeyance for up to six months following the conclusion of active duty service the expiration of, and currency requirements for, professional licenses and certificates for individuals who have been called to active duty military service.

(43) The higher education coordinating board, the department of licensing, and the department of health shall jointly review and report to appropriate policy committees of the legislature by December 1, 2008, on barriers and opportunities for increasing the extent to which veterans separating from duty are able to apply skills sets and education required while in service to certification, licensure, and degree requirements.

(44) \$35,000 of the general fund—state appropriation for fiscal year 2009 and \$80,000 of the state toxics control account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2647 (children's safe products). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(45) \$143,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6340 (water system program).

If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(46) \$194,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Engrossed Second Substitute House Bill No. 2549 (patient-centered care). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(47) \$96,000 of the health professions account—state appropriation is provided solely for the implementation of Substitute House Bill No. 2881 (practice of dentistry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(48) \$130,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the midwifery licensure and regulatory program to offset a reduction in revenue from fees. There shall be no change to the current annual fees for new or renewed licenses for the midwifery program. The department shall convene the midwifery advisory committee on a quarterly basis to address issues related to licensed midwifery.

(49) \$900,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the Washington colon health program. Through the program, the department shall provide grants to participating counties to provide free colorectal screening exams to individuals fifty to sixty-four years old who are below two hundred fifty percent of the federal poverty level.

(50) In addition to other reductions, the reduced appropriations in this section reflect an additional \$90,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1120. 2008 c 329 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS. ((+)) The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified herein. However, after May 1, ((2008)) 2009, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year ((2008)) 2009 between programs. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification shall include a narrative explanation and justification of the changes ~~((, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.~~

(2) ~~The department may transfer up to \$15,000,000 of the general fund—state appropriation for fiscal year 2009 into fiscal year 2008, if deemed necessary by the department and approved in advance by the director of financial management. The director of financial management shall notify the fiscal committees of the legislature in writing seven days prior to approving a transfer~~

~~under this subsection. The written notification shall include a narrative explanation and justification of the transfer including allotment detail by program, budget object, and budget unit for both fiscal years, both before and after any transfers)).~~

Sec. 1121. 2009 c 4 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2008)	\$57,545,000
General Fund—State Appropriation (FY 2009)	(((\$52,652,000))
	<u>\$52,320,000</u>
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$169,000
Violence Reduction and Drug Enforcement	
Account—State Appropriation (FY 2008)	\$13,000
Violence Reduction and Drug Enforcement	
Account—State Appropriation (FY 2009)	\$13,000
Public Safety and Education Account—State	
Appropriation (FY 2008)	\$1,467,000
Public Safety and Education Account—State	
Appropriation (FY 2009)	\$1,481,000
Pension Funding Stabilization Account—State	
Appropriation	\$1,280,000
TOTAL APPROPRIATION	(((\$114,620,000))
	<u>\$114,288,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) \$9,389,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the completion of phase three of the department's offender-based tracking system replacement project. This amount is conditioned on the department satisfying the requirements of section 902 of this act.

(b) \$35,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the establishment and support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will begin to investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(c) \$169,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 is provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(d) \$102,000 of the general fund—state appropriation for fiscal year 2008 and \$95,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute House

Bill No. 1422 (incarcerated parents). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(e) Within funds appropriated in this section, the department shall seek contracts for chemical dependency vendors to provide chemical dependency treatment of offenders in corrections facilities, including corrections centers and community supervision facilities, which have demonstrated effectiveness in treatment of offenders and are able to provide data to show a successful treatment rate.

(f) \$314,000 of the general fund—state appropriation for fiscal year 2008 and \$294,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for four additional staff to collect and analyze data for programs funded through the offender reentry initiative and collect, analyze, and disseminate information required by the GMAP process, performance audits, data requests, and quality assessments and assurances.

(g) \$32,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Substitute Senate Bill No. 6244 (conversion of facilities to house violators of community supervision). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(h) \$150,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement Engrossed Second Substitute House Bill No. 2712 (criminal street gangs). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2008)	(\$601,402,000))
	<u>\$616,402,000</u>
General Fund—State Appropriation (FY 2009)	(\$647,608,000))
	<u>\$655,534,000</u>
General Fund—Federal Appropriation	(\$4,157,000))
	<u>\$3,941,000</u>
Public Safety and Education Account—State Appropriation (FY 2008).	\$1,050,000
Public Safety and Education Account—State Appropriation (FY 2009).	\$1,350,000
Washington Auto Theft Prevention Authority Account— State Appropriation	\$1,338,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008)	\$1,492,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2009)	\$1,492,000
Pension Funding Stabilization Account—State Appropriation.	\$11,800,000
TOTAL APPROPRIATION	(\$1,271,689,000))
	<u>\$1,294,399,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department may expend funds generated by contractual agreements entered into for mitigation of severe overcrowding in local jails. Any funds

generated in excess of actual costs shall be deposited in the state general fund. Expenditures shall not exceed revenue generated by such agreements and shall be treated as a recovery of costs.

(b) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

(c) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(d) During the 2007-09 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(e) The Harborview medical center shall provide inpatient and outpatient hospital services to offenders confined in department of corrections facilities at a rate no greater than the average rate that the department has negotiated with other community hospitals in Washington state.

(f) \$358,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2008 and \$980,000 of the Washington auto theft prevention authority account—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Third Substitute House Bill No. 1001 (auto theft). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(g) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$22,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1097 (vulnerable adults). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(h) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$22,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute House Bill No. 1319 (correctional agency employee). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(i) \$87,000 of the general fund—state appropriation for fiscal year 2008 and \$87,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of House Bill No. 1592 (sentence review board). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(j) \$544,000 of the general fund—state appropriation for fiscal year 2008 and \$496,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the development of individual reentry plans to prepare offenders for release into the community as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). Individual reentry plans shall be

based on an assessment of the offender using a standardized and comprehensive tool. The individual reentry plan may be one document, or may be a series of individual plans that combine to meet the requirements. The individual reentry plan shall, at a minimum, include:

(i) A plan to maintain contact with the inmate's children and family, if appropriate. The plan should determine whether parenting classes, or other services, are appropriate;

(ii) A description of the offender's education, certifications, work experience, skills, and training; and

(iii) A plan for the offender during the period of incarceration through reentry into the community that addresses the needs of the offender including education, employment, substance abuse treatment, mental health treatment, and family reunification. The individual reentry plan shall be updated as appropriate during the period of incarceration, and prior to the inmate's release to address public safety concerns, consistency with the offender risk management level assigned by the department, housing, and connecting with a community justice center in the area in which the offender will be residing, if a community justice center is located in that area.

(iv) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2008)	\$133,157,000
General Fund—State Appropriation (FY 2009)	(\$145,881,000))
	<u>\$146,344,000</u>
General Fund—Federal Appropriation	\$416,000
Public Safety and Education Account—State Appropriation (FY 2008)	\$9,319,000
Public Safety and Education Account—State Appropriation (FY 2009)	\$9,370,000
Pension Funding Stabilization Account—State Appropriation	\$2,800,000
TOTAL APPROPRIATION	(\$300,943,000))
	<u>\$301,406,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(a) The department shall accomplish personnel reductions with the least possible impact on correctional custody staff, community custody staff, and correctional industries. For the purposes of this subsection, correctional custody staff means employees responsible for the direct supervision of offenders.

(b) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase work release beds in facilities throughout the state for \$8,561,000.

(c) \$1,167,000 of the general fund—state appropriation for fiscal year 2008 and \$2,295,000 of the general fund—state appropriation for fiscal year 2009 are

provided solely for the establishment and operation of community justice centers by the department as generally described in Engrossed Substitute Senate Bill No. 6157 (offender recidivism). At a minimum, a community justice center shall include:

- (i) A violator program to allow the department to utilize a range of available sanctions for offenders who violate conditions of their supervision;
- (ii) An employment opportunity program to assist an offender in finding employment;
- (iii) On-site services or resources for connecting offenders with services such as mental health and substance abuse treatment, transportation, training, family reunification, and community services; and
- (iv) The services of a transition coordinator to facilitate connections between the former offender and the community. The transition coordinator shall provide information to former offenders regarding services available to them in the community including, but not limited to housing assistance, employment assistance, education, vocational training, parent education, financial literacy, treatment for substance abuse, mental health, anger management, and shall assist offenders in their efforts to access needed services.
- (v) If the appropriation in this subsection is not sufficient for this program, the department shall prioritize the use of available funds.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2008)	\$1,001,000
General Fund—State Appropriation (FY 2009)	\$2,357,000
TOTAL APPROPRIATION	\$3,358,000

The appropriations in this subsection are subject to the following conditions and limitations: \$124,000 of the general fund—state appropriation for fiscal year 2008 and \$132,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient offender work programs.

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2008)	\$35,036,000
General Fund—State Appropriation (FY 2009)	(\$28,082,000)
	<u>\$29,043,000</u>
TOTAL APPROPRIATION	(\$63,118,000)
	<u>\$64,079,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$35,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for expenditures related to the *Farrakhan v. Locke* litigation.

Sec. 1122. 2009 c 4 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2008)	\$2,566,000
General Fund—State Appropriation (FY 2009)	\$2,375,000

General Fund—Federal Appropriation	(\$17,584,000))
	<u>\$18,757,000</u>
General Fund—Private/Local Appropriation	\$20,000
TOTAL APPROPRIATION	(\$22,545,000))
	<u>\$23,718,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$4,000 of the general fund—state appropriation for fiscal year 2008 and \$4,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for an adjustment to the agency lease rate for space occupied and parking in the Tacoma Rhodes center. The department of general administration shall increase lease rates to meet the cash gain/loss break-even point for the Tacoma Rhodes center effective July 1, 2007.

(2) The department shall not reduce and shall continue to provide funding for contracted services that provide employment support and help with life activities for deaf and blind individuals in King county.

Sec. 1123. 2009 c 4 s 225 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund—State Appropriation (FY 2008)	\$60,000
General Fund—State Appropriation (FY 2009)	\$272,000
General Fund—Federal Appropriation	(\$264,967,000))
	<u>\$320,249,000</u>
General Fund—Private/Local Appropriation	\$33,578,000
Unemployment Compensation Administration Account—	
Federal Appropriation	(\$252,907,000))
	<u>\$273,138,000</u>
Administrative Contingency Account—State	
Appropriation	\$22,802,000
Employment Service Administrative Account—State	
Appropriation	\$33,843,000
Family Leave Insurance Account—State Appropriation	\$1,764,000
TOTAL APPROPRIATION	(\$610,193,000))
	<u>\$685,706,000</u>

The appropriations in this subsection are subject to the following conditions and limitations:

(1) \$4,578,000 of the unemployment compensation administration account—federal appropriation is provided from funds made available to the state by section 903(d) of the social security act (Reed Act). These funds are authorized to provide direct services to unemployment insurance claimants and providing job search review.

(2) \$2,300,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue implementation of chapter 4, Laws of 2003 2nd sp. sess. and for implementation costs relating to chapter 133, Laws of 2005 (unemployment insurance).

(3) \$23,162,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to continue current unemployment insurance functions and department services to employers and job seekers.

(4) \$372,000 of the administrative contingency account—state appropriation is provided solely to implement Substitute Senate Bill No. 5653 (self-employment). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$12,054,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to fund the unemployment insurance tax information system (TAXIS) technology initiative for the employment security department.

(6) \$430,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to replace high-risk servers used by the unemployment security department.

(7) \$503,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed act). This amount is authorized to provide a system to track computer upgrades and changes for the unemployment security department.

(8) \$183,000 of the unemployment compensation administration account—federal appropriation is provided from the amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized to conduct a feasibility study to integrate job search data systems.

(9) \$2,331,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized for hardware and software to ensure the ongoing, reliable operation of the telecenters.

(10) \$488,000 of the unemployment compensation administration account—federal appropriation is provided from amounts made available to the state by section 903(d) of the social security act (Reed Act). This amount is authorized for the relocation of the WorkSource office in Lakewood.

(11) \$1,764,000 of the family leave insurance account—state appropriation is provided solely for implementation of the family leave insurance program.

~~((a) The amount provided in this subsection assumes that, in developing the information technology systems to support the payment of benefits, the department will incorporate the claim filing and benefit payment efficiencies recommended by the joint legislative task force on family leave insurance in Part III of its final report dated January 23, 2008, including:~~

~~(i) Eliminating the option for awarding attorney fees and costs for administrative hearings;~~

~~(ii) Authorizing claims for benefits to be filed in the six-week period beginning on the first day of the calendar week in which the individual is on family leave;~~

(iii) ~~Not requiring claimants to verify the birth of a child or the placement of a child for adoption;~~

(iv) ~~Including an attestation from the claimant that written notice has been provided to the employer of the intention to take family leave; and~~

(v) ~~Not deducting and withholding federal income taxes from benefit payments.~~

(b) ~~In addition, the department shall incorporate the following claim filing and benefit payment efficiencies:~~

(i) ~~Define "qualifying year" to mean the first four of the last five completed calendar quarters or, if eligibility is not established, the last four completed calendar immediately preceding the first day of the application year;~~

(ii) ~~Allow individuals to file a claim for benefits in the six week period beginning on the first day of the calendar year in which the individual is on family leave; and~~

(iii) ~~After an initial family leave insurance benefit is paid, subsequent payments must be made biweekly, rather than semimonthly, thereafter.)~~

(12) \$222,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement Engrossed Second Substitute House Bill No. 2815 (greenhouse gas emissions). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(13) \$155,000 of the unemployment compensation administration account—federal appropriation is provided solely to implement Second Substitute Senate Bill No. 6732 (construction industry). If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

PART XII NATURAL RESOURCES

Sec. 1201. 2009 c 4 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2008)	\$524,000
General Fund—State Appropriation (FY 2009)	\$509,000
General Fund—Federal Appropriation	\$9,000
General Fund—Private/Local Appropriation	(((\$1,044,000))
	<u>\$1,017,000</u>
TOTAL APPROPRIATION	(((\$2,086,000))
	<u>\$2,059,000</u>

Sec. 1202. 2009 c 4 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2008)	\$50,109,000
General Fund—State Appropriation (FY 2009)	(((\$45,748,000))
	<u>\$45,561,000</u>
General Fund—Federal Appropriation	\$83,013,000
General Fund—Private/Local Appropriation	\$13,618,000
Special Grass Seed Burning Research	
Account—State Appropriation	\$14,000
Reclamation Account—State Appropriation	\$4,207,000
Flood Control Assistance Account—State Appropriation	\$4,151,000

Aquatic Lands Enhancement Account—State Appropriation	\$400,000
State Emergency Water Projects Revolving Account—State Appropriation	\$390,000
Waste Reduction/Recycling/Litter Control—State Appropriation	\$19,588,000
State Drought Preparedness—State Appropriation	\$115,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$421,000
Vessel Response Account—State Appropriation	\$1,604,000
Freshwater Aquatic Algae Control Account—State Appropriation	\$509,000
Site Closure Account—State Appropriation	\$694,000
Water Quality Account—State Appropriation (FY 2008)	\$15,137,000
Water Quality Account—State Appropriation (FY 2009)	\$16,493,000
Wood Stove Education and Enforcement Account—State Appropriation	\$370,000
Worker and Community Right-to-Know Account—State Appropriation	\$2,247,000
State Toxics Control Account—State Appropriation	(\$99,235,000)
	<u>\$95,125,000</u>
State Toxics Control Account—Private/Local Appropriation	\$381,000
Local Toxics Control Account—State Appropriation	\$20,952,000
Water Quality Permit Account—State Appropriation	\$34,022,000
Underground Storage Tank Account—State Appropriation	\$3,635,000
Biosolids Permit Account—State Appropriation	\$1,396,000
Hazardous Waste Assistance Account—State Appropriation	\$5,834,000
Air Pollution Control Account—State Appropriation	\$6,306,000
Oil Spill Prevention Account—State Appropriation	\$12,205,000
Air Operating Permit Account—State Appropriation	\$2,680,000
Freshwater Aquatic Weeds Account—State Appropriation	\$1,690,000
Oil Spill Response Account—State Appropriation	\$7,078,000
Metals Mining Account—State Appropriation	\$14,000
Water Pollution Control Revolving Account—State Appropriation	\$464,000
Water Pollution Control Revolving Account—Federal Appropriation	\$2,271,000
Columbia River Water Delivery Account—State Appropriation	\$2,150,000
TOTAL APPROPRIATION	(\$459,141,000)
	<u>\$454,844,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$170,000 of the oil spill prevention account—state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) \$256,000 of the general fund—state appropriation for fiscal year 2008, \$209,000 of the general fund—state appropriation for fiscal year 2009, and \$200,000 of the general fund—private local appropriation are provided solely to implement activities associated with a regional haze program. Funds shall be collected and expended in accordance with the terms of the contract entered into with affected businesses and the department of ecology.

(3) \$2,000,000 of the local toxics control account—state appropriation is provided solely to local governments outside of Puget Sound for municipal storm water programs, including but not limited to, implementation of phase II municipal storm water permits, source control for toxics in association with cleanup of contaminated sediment sites, and source control programs for shellfish protection districts where storm water is a significant contributor.

(4) Fees approved by the department of ecology in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055. Pursuant to RCW 43.135.055, the department is further authorized to increase the following fees in fiscal year 2009 as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 5.57 percent; dam periodic inspection permit, not more than 5.57 percent; dam construction permit, not more than 5.57 percent; and mixed waste management, not more than 14.14 percent.

(5) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 and \$927,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to improve the performance of wetland mitigation. Of this amount, \$55,000 of the general fund—state appropriation for fiscal year 2008 and \$55,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support a wetland in Whatcom county. The program will engage local, state, and federal agencies, private investors, property owners, and others in the creation of one or more wetland banks and other measures to protect habitat functions and values while accommodating urban growth in the region. Priority shall be given to state and local government partnerships for wetland characterization. The department shall issue a report of its findings and recommendations on how wetland mitigation success can be improved to the office of financial management and the appropriate policy committees of the legislature.

(6) \$260,000 of the state toxics control account—state appropriation is provided solely to support pesticide container recycling activities in Washington.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a pilot project to provide grants to two local government jurisdictions located in the Puget Sound area to improve compliance with existing environmental laws. Grant funds shall be used for providing information on existing requirements, providing technical assistance necessary to comply on a voluntary basis, and taking enforcement action.

(8) \$1,257,000 of the reclamation account—state appropriation is provided solely to implement Substitute Senate Bill No. 5881 (water power license fees).

If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(9) \$694,000 of the underground storage tank account—state appropriation is provided solely to implement Substitute Senate Bill No. 5475 (underground storage tanks). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(10) \$2,026,000 of the local toxics control account—state appropriation is provided solely for local governments located near hazardous waste clean-up sites, including Duwamish Waterway, Commencement Bay, and Bellingham Bay, to work with small businesses and citizens to safely manage hazardous and solid wastes to prevent the contamination.

(11) \$876,000 of the state toxics control account and \$876,000 of the local toxics control account are provided solely for public participation grants related to toxic cleanup sites within and around Puget Sound.

(12) \$831,000 of the general fund—state appropriation for fiscal year 2008 and \$669,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement watershed plans. Of this amount, \$313,650 of the general fund—state appropriation for fiscal year 2008 and \$529,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to support the implementation of the WRIA 1 watershed plan and the Bertrand watershed improvement district plan, including but not limited to implementation of the Nooksack River basin stream gauging program, study of the feasibility of a public utility district pipeline in the Bertrand watershed, study and construction of water storage and augmentation in the Bertrand watershed, and preparation and development of the next subbasin watershed plan agreed to by the Bertrand instream flow policy group.

(13) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop, by rule, guidelines for the appropriate siting and operation of geoduck aquaculture operations to be included in any master program under the shorelines management act. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$15,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for convening a stakeholder group to recommend establishing a sustainable statewide regional CBRNE/Hazmat response capability.

(15) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement key recommendations and actions identified in the "Washington's Ocean Action Plan: Enhancing Management of Washington State's Ocean and Outer Coast". The department shall provide a progress report on implementing this plan to the appropriate policy committees of the legislature by December 31, 2008.

(16) \$464,000 of the general fund—state appropriation for fiscal year 2008 and \$136,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 6001 (climate change). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to oversee beach seaweed removal in the west Seattle Fauntleroy community. The department may spend up to \$25,000 of this amount for its cost of administration.

(18) \$693,000 of the state toxics control account is provided solely for implementation of Senate Bill No. 5421 (environmental covenants). If the bill is not enacted by June 30, 2007, the amount provided in this section shall lapse.

(19) \$99,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a marshland study of key areas of salmon habitat along the Snohomish river estuary.

(20) \$196,000 of the general fund—state appropriation for fiscal year 2008, \$132,000 of the general fund—state appropriation for fiscal year 2009, and \$19,000 of the oil spill prevention account appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(21) \$150,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to contract with the U.S. institute for environmental conflict resolution, a federal agency, to develop a pilot water management process with three federally recognized treaty Indian tribes. \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the northwest Indian fisheries commission to help establish the pathway for the process in federal agencies.

(22) \$150,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to continue the pilot water pathways project through the remainder of the biennium. The department will work with the northwest Indian fisheries commission and the U.S. institute on environmental conflict resolution to find resolution on persistent water policy issues between tribes and nontribal entities.

(23) \$319,000 of the general fund—state appropriation for fiscal year 2008 and \$241,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6117 (reclaimed water). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(24) \$53,000 of the oil spill prevention account—state appropriation is provided solely for the implementation of Senate Bill No. 5552 (penalties for oil spills). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$50,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the department to convene a shellfish aquaculture regulatory committee, composed of a balanced representation from interested state regulatory agencies, Native American tribes, local governments and the environmental and shellfish farming communities. The group will be facilitated by the office of regulatory assistance and will address federal, state, and local regulatory issues related to shellfish farming.

(26) Within the appropriations provided in this section for the development of water supplies in the Columbia river basin, the department shall assist county governments located east of the crest of the Cascade mountain range that: Have an international border; or border a county with an international boundary and a county with four hundred thousand or more residents, to identify water supply projects to compete for funding from the Columbia river basin water management program. The department shall provide technical assistance as needed to further refine priority projects identified by these counties. The department shall consider and balance regional water supply needs in its funding allocation decisions made as a part of this program.

(27) \$50,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for coordinating with the University of Washington to assess the current energy profile of Washington state pulp and paper mills. The energy consumption and energy generation capability will be determined for both steam and electrical power. In addition, the sources and types of fuels used in various boilers will be assessed.

(28) \$195,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to support a collaborative process to design a proposed comprehensive water management structure for the Walla Walla river basin. The proposed structure should address the allocation of functions, authorities, resource requirements, and issues associated with interstate watershed management of the basin. Invited participants should include but not be limited to the confederated tribes of the Umatilla Indian reservation; appropriate state agencies; and Walla Walla basin interests such as municipalities, irrigation districts, conservation districts, fisheries, agriculture, economic development, and environmental representatives. A report outlining the proposed governance and water management structure shall be submitted to the governor and the appropriate committees of the legislature by November 15, 2008.

(29) \$333,000 of the state toxics control account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2647 (children's safe products). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(30) \$256,000 of the general fund—state appropriation for fiscal year 2008 and \$1,027,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Engrossed Second Substitute House Bill No. 2815 (reducing greenhouse gases emissions in the Washington economy). In participating in the western climate initiative under Engrossed Second Substitute House Bill No. 2815, the director of the department shall seek to ensure that the design for a regional multisector market-based system confers equitable economic benefits and opportunities to electric utilities operating in Washington by having that system recognize at least the following: (a) Voluntary investments made by Washington utilities in energy efficiency measures; (b) emission reduction benefits that other state and provincial participants in the western climate initiative derive from consuming renewable energy generated in Washington; and (c) adverse impacts that climate change uniquely has upon the capabilities of hydroelectric power generation. Washington state's representatives to the western climate initiative process shall advocate for a regional multisector market-based design that addresses competitive disadvantages that could be experienced by in-region industries as compared to industries in states or

countries that do not have greenhouse gas reduction programs that are substantively equivalent to the system designed under the western climate initiative process. If the bill is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(31) Within the appropriations provided in this section the department shall ensure that standard statewide protocols for surface water monitoring are developed and included in status and trends monitoring to utilize information from other entities, including other state agencies, local governments, and volunteer groups.

(32)(a) \$2,000,000 of the Columbia river water delivery account appropriation is provided solely for distribution to affected counties as defined in Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water) to mitigate for negative impacts caused by releases of Lake Roosevelt water for the purposes described in that bill. The criteria for allocating these funds shall be developed by the department in consultation with affected local governments.

(b) \$150,000 of the Columbia river water delivery account appropriation is provided solely for the department to retain a contractor to perform an independent analysis of legislative options to protect rural communities in northeast Washington from disproportionate economic, agricultural, and environmental impacts when upstream water rights are purchased and transferred for use, or idled and used as mitigation, in a downstream watershed or county. Before retaining a contractor, the department shall consult with affected counties as defined in Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water). The contractor selected shall conduct the independent analysis and develop a report describing options and recommended actions. The department of ecology shall provide the report to the appropriate committees of the legislature by December 1, 2008.

(c) If Engrossed Second Substitute Senate Bill No. 6874 (Columbia river water delivery) is not enacted by June 30, 2008, the amounts provided in this subsection shall lapse.

(33) \$210,000 of the local toxics control account—state appropriation is provided solely to clean up naturally occurring asbestos from Swift Creek.

(34) \$80,000 of the state toxics control account—state appropriation is provided solely for the department to create a stakeholder advisory committee to review and develop recommendations to help businesses achieve a fifty percent toxics reduction use goal. The committee shall: (a) Review and make recommendations to improve the effectiveness and delivery of technical assistance in pollution prevention planning; (b) develop recommendations for strategies to encourage moving away from "end-of-pipe" pollution reduction approaches to increase hazardous waste prevention throughout the state; and (c) review and make recommendations on revising the hazardous waste planning fee under RCW 70.95E.030, including opportunities to provide incentives that reward businesses for toxic use reduction successes in meeting a fifty percent toxics use reduction goal. The committee shall report its findings and recommendations to the fiscal and policy committees of the senate and house of representatives by November 1, 2008.

(35) \$70,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6805 (relating to promoting farm and forest land preservation and environmental restoration through conservation

markets). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(36) RCW 70.105.280 authorizes the department to assess reasonable service charges against those facilities that store, treat, incinerate, or dispose of dangerous or extremely hazardous waste that involves both a nonradioactive hazardous component and a radioactive component. Service charges may not exceed the costs to the department in carrying out the duties in RCW 70.105.280. The current service charges do not meet the costs of the department to carry out its duties. Pursuant to RCW 43.135.055 and 70.105.280, the department is authorized to increase the service charges no greater than 10% for fiscal year 2009.

Sec. 1203. 2009 c 4 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2008)	\$48,970,000
General Fund—State Appropriation (FY 2009)	(((\$45,503,000))
	<u>\$45,508,000</u>
General Fund—Federal Appropriation	\$5,731,000
General Fund—Private/Local Appropriation	\$73,000
Winter Recreation Program Account—State	
Appropriation	\$1,559,000
Off-Road Vehicle Account—State Appropriation	\$234,000
Snowmobile Account—State Appropriation	\$4,829,000
Aquatic Lands Enhancement Account—State	
Appropriation	\$363,000
Public Safety and Education Account—State	
Appropriation (FY 2008)	\$23,000
Public Safety and Education Account—State	
Appropriation (FY 2009)	\$24,000
Parks Renewal and Stewardship Account—State	
Appropriation	(((\$37,334,000))
	<u>\$38,584,000</u>
Parks Renewal and Stewardship Account—Private/Local	
Appropriation	\$300,000
TOTAL APPROPRIATION	(((\$144,943,000))
	<u>\$146,198,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Fees approved by the state parks and recreation commission in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(2) \$79,000 of the general fund—state appropriation for fiscal year 2008 and \$79,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a grant for the operation of the Northwest avalanche center.

(3) \$300,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for project scoping and cost estimating for the agency's 2009-11 capital budget submittal.

(4) \$2,255,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for costs associated with relocating the commission's Tumwater headquarters office.

(5) \$272,000 of the general fund—state appropriation for fiscal year 2008 and \$271,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for costs associated with relocating the commission's eastern Washington regional headquarters office.

(6) \$1,000,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for replacing vehicles and equipment.

(7) \$1,611,000 of the general fund—state appropriation for fiscal year 2008 and \$1,428,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for planned and emergency maintenance of park facilities.

(8) \$1,700,000 of the general fund—federal appropriation for fiscal year 2009 is provided solely for the recreational boating safety program.

(9) \$954,000 of the general fund—state appropriation for fiscal year 2008 and (~~(\$1,007,000)~~) \$932,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operations of Cama Beach state park.

(10) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5219 (weather and avalanche center). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$9,000 of the general fund—state appropriation for fiscal year 2008 and \$9,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) \$9,000 of the general fund—state appropriation for fiscal year 2008 and \$9,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(13) \$264,000 of the general fund—state appropriation for fiscal year 2008 and (~~(\$247,000)~~) \$132,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to establish a pilot lifeguard program at Lake Sammamish and Nolte state parks. The department shall complete a comprehensive risk analysis to determine if expansion of the lifeguard program or other drowning risk reduction measures should be implemented. The department shall report its findings to the office of financial management and the appropriate committees of the legislature by July 1, 2009. The department shall fully implement this program as intended in this subsection.

(14) \$455,000 of the general fund—state appropriation for fiscal year 2008 and \$10,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the development of a long-range plan for Fort Worden state park, including architectural and site design guidelines, business and operations implementation, site and facilities use plan, and for the department to convene a task force to recommend alternative governance structures for the park.

(15) \$1,600,000 of the parks renewal stewardship account—state appropriation is provided solely for operating state parks, developing and

renovating park facilities, undertaking deferred maintenance, enhancing park stewardship and other state park purposes, pursuant to Substitute House Bill No. 2275 (raising funds for state parks). Expenditures from the amount provided in this subsection shall not exceed actual revenues received under Substitute House Bill No. 2275. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

~~(16) ((\$40,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2514 (orca whale protection). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.~~

~~(17))~~ \$58,000 of the general fund—state appropriation for fiscal year 2008 and \$73,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for one-time financial assistance to the northwest weather and avalanche center, administered by the United States forest service, to keep the center operational through the remainder of the biennium.

~~((18))~~ (17) Funds in this section are sufficient for continued implementation of Engrossed Substitute Senate Bill No. 5010 (foster home pass). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

Sec. 1204. 2009 c 4 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State Appropriation (FY 2008)	\$56,158,000
General Fund—State Appropriation (FY 2009)	(((\$49,062,000))
	<u>\$49,094,000</u>
General Fund—Federal Appropriation	\$52,270,000
General Fund—Private/Local Appropriation	\$37,184,000
Off-Road Vehicle Account—State Appropriation	\$413,000
Aquatic Lands Enhancement Account—State	
Appropriation.	\$6,022,000
Public Safety and Education Account—State	
Appropriation (FY 2008).	\$268,000
Public Safety and Education Account—State	
Appropriation (FY 2009).	\$323,000
Recreational Fisheries Enhancement—State	
Appropriation.	\$3,600,000
Warm Water Game Fish Account—State Appropriation	\$2,992,000
Eastern Washington Pheasant Enhancement	
Account—State Appropriation	\$753,000
Aquatic Invasive Species Enforcement Account—State	
Appropriation.	\$204,000
Aquatic Invasive Species Prevention Account—State	
Appropriation.	\$842,000
Wildlife Account—State Appropriation	\$63,549,000
Wildlife Account—Federal Appropriation	\$34,279,000
Wildlife Account—Private/Local Appropriation	\$13,187,000
Game Special Wildlife Account—State Appropriation	\$2,478,000
Game Special Wildlife Account—Federal Appropriation	\$8,911,000

Game Special Wildlife Account—Private/Local Appropriation.	\$483,000
Water Quality Account—State Appropriation (FY 2008)	\$160,000
Water Quality Account—State Appropriation (FY 2009)	\$160,000
Regional Fisheries Salmonid Recovery Account—Federal Appropriation.	\$5,001,000
Oil Spill Prevention Account—State Appropriation	\$1,093,000
Oyster Reserve Land Account—State Appropriation.	\$416,000
Wildlife Rehabilitation Account—State Appropriation	(\$270,000)
	<u>\$240,000</u>
TOTAL APPROPRIATION	(\$340,078,000)
	<u>\$340,080,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The department shall use the department of printing for printing needs. Funds provided in this section may not be used to staff or fund a stand-alone printing operation.

(2) \$175,000 of the general fund—state appropriation for fiscal year 2008 and \$175,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of hatchery reform recommendations defined by the hatchery scientific review group.

(3) The department shall support the activities of the aquatic nuisance species coordination committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.

(4) The department shall emphasize enforcement of laws related to protection of fish habitat and the illegal harvest of salmon and steelhead. Within the amount provided for the agency, the department shall provide support to the department of health to enforce state shellfish harvest laws.

(5) \$400,000 of the general fund—state appropriation for fiscal year 2008 and \$400,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(6) The department shall assist the office of regulatory assistance in implementing activities consistent with the governor's regulatory improvement program. The department shall support and provide expertise to facilitate, coordinate, and simplify citizen and business interactions so as to improve state regulatory processes involving state, local, and federal stakeholders.

(7) \$634,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for operations and fish production costs at department-operated Mitchell act hatchery facilities.

(8) \$609,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the department to implement a pilot project with the Confederated Tribes of the Colville Reservation to develop expanded recreational fishing opportunities on Lake Rufus Woods and its northern shoreline and to conduct joint enforcement of lake fisheries on Lake Rufus

Woods and adjoining waters, pursuant to state and tribal intergovernmental agreements developed under the Columbia River water supply program.

(a) For the purposes of the pilot project:

(i) A fishing permit issued to a nontribal member by the Colville Tribes shall satisfy the license requirement of RCW 77.32.010 on the waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

(ii) The Colville Tribes have agreed to provide to holders of its nontribal member fishing permits a means to demonstrate that fish in their possession were lawfully taken in Lake Rufus Woods;

(iii) A Colville tribal member identification card shall satisfy the license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

(iv) The department and the Colville Tribes shall jointly designate fishing areas on the north shore of Lake Rufus Woods for the purposes of enhancing access to the recreational fisheries on the lake; and

(v) The Colville Tribes have agreed to recognize a fishing license issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal member fishing permit requirements of Colville tribal law on the reservation portion of the waters of Lake Rufus Woods and at designated fishing areas on the north shore of Lake Rufus Woods;

(b) The director, in collaboration with the Colville Tribes, shall provide an interim report to the office of financial management and the appropriate committees of the legislature by December 31, 2008. The report shall describe the status of the pilot project, and make recommendations as needed to fully implement the project, pursuant to the state and tribal agreement on Lake Rufus Woods.

(9) \$182,000 of the general fund—state appropriation for fiscal year 2008 and \$182,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue the ballast water management program in Puget Sound and expand the program to include the Columbia river and coastal ports.

(10) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for hatchery facility maintenance improvements.

(11) \$440,000 of the general fund—state appropriation for fiscal year 2008 and \$409,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for estimates of juvenile abundance of federally listed salmon and steelhead populations. The department shall report to the office of financial management and the appropriate fiscal committees of the legislature with a letter stating the use and measurable results of activities that are supported by these funds.

(12) \$125,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the strategic budget and accountability program.

(13) \$113,000 of the general fund—state appropriation for fiscal year 2008 and \$113,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(14) Prior to submitting its 2009-11 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management and the appropriate legislative committees by October 1, 2008.

(15) \$43,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the implementation of Substitute Senate Bill No. 5447 (coastal Dungeness crab). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(16) \$4,000 of the general fund—state appropriation for fiscal year 2008 and \$4,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(17) \$89,000 of the general fund—state appropriation for fiscal year 2008 and \$89,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$204,000 of the aquatic invasive species enforcement account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5923 (aquatic invasive species). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(19) \$352,000 of the wildlife rehabilitation account is provided solely for the implementation of Senate Bill No. 5188 (wildlife rehabilitation). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(20) \$77,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department of fish and wildlife to participate in the upper Columbia salmon recovery plan implementation, habitat conservation plan hatchery committees, and the priest rapids salmon and steelhead agreement hatchery technical committee.

(21)(a) Within existing funds, the department of fish and wildlife shall sell the upper 20-acre parcel of the Beebe springs property.

(b) Proceeds from the sale are to be used to develop the Beebe springs natural interpretive site. Up to \$300,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the development of the Beebe springs natural interpretive site. The department shall not expend more than the amount received from the sale proceeds.

(22) \$50,000 of the general fund—state appropriation for fiscal year 2008 and \$49,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2049 (marine resource

committees). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(23) \$35,000 of the general fund—state appropriation for fiscal year 2008 and \$35,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a study of introducing oxygen to the waters of Hood Canal. The study shall propose a location in a small marine area where a large number of bottom-dwelling fish species exist, and analyze the impact of injected dissolved oxygen on aquatic life. The department shall report to the appropriate committees of the legislature on the results of the study and recommend whether to proceed with a project to inject oxygen into Hood Canal.

(24) \$1,310,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to replace state wildlife account funds for the engineering program and \$610,000 of the general fund—state appropriation for fiscal year 2008 are provided solely to replace state wildlife account funds for the hydraulic project permitting program, including the development of a permit fee schedule for the hydraulic project approval program to make the program self supporting. Fees may be based on factors relating to the complexity of the permit issuance. The fees received by the department must be deposited into the state wildlife account and shall be expended exclusively for the purposes of the hydraulic project permitting program. By December 1, 2008, the department shall provide a permit fee schedule for the hydraulic project approval program to the office of financial management and the appropriate committees of the legislature.

(25) \$245,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to the department to work in cooperation with the department of natural resources to assist with the implementation of the wild horse coordinated resource management plan. Implementation may include providing grant funding to other state and nonstate entities as needed.

(26) \$270,000 of the general fund—state appropriation for fiscal year 2008 and \$270,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to develop siting guidelines for power generation facilities, provide technical assistance for permitting, support voluntary compliance with the guidelines, and to conduct bird and wildlife assessments on state lands most eligible for wind power leases.

(27) \$50,000 of the general fund—state appropriation for fiscal year 2008 is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall develop and maintain an electronic database for aquatic farmer registration. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(28) During the 2007-09 biennium, the department shall not make a permanent closure of any hatchery facility currently in operation.

(29) Within existing funds, the department shall continue implementing its capital program action plan dated September 1, 2007, including the purchase of the necessary maintenance and support costs for the capital programs and engineering tools. The department shall report to the office of financial management and the appropriate committees of the legislature, its progress in implementing the plan, including improvements instituted in its capital program, by September 30, 2008.

(30) \$46,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Second Substitute House Bill No. 2514 (orca whale protection). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(31) The department shall complete an inventory of department purchased or leased lands acquired for mixed agriculture and fish and wildlife habitat and provide for each purchase or lease agreement the cost and date of the agreement, the previous use of the land, any agreement or deed specifying continuing use of the land, and the current management cost and status of each parcel of purchased or leased lands. The department shall provide the inventory to the appropriate committees of the legislature by December 1, 2008.

(32) \$289,000 of the general fund—state appropriation for fiscal year 2008 and \$301,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for selective fisheries.

(33) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for removal of derelict gear in Washington waters.

(34) \$135,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for a review of the effectiveness of the department's existing hydraulic project approval process and environmental outcomes.

(35) \$75,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to implement the 2008 Wiley Slough restoration project report to the legislature recommendation to establish a private farmland, public recreation partnership that would provide farmland preservation, waterfowl management, and public recreational access.

(36) \$95,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Ebey Island property management costs.

(37)(a) A work group on Electron dam salmon passage is established, with members as provided in this subsection.

(i) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(ii) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(iii) The department of fish and wildlife shall appoint at least one representative from each of the following entities: The department of fish and wildlife, Puyallup Tribe of Indians, and Puget Sound energy.

(b) The department of fish and wildlife shall provide staff support to the work group.

(c) The work group shall study possible enhancements for improving outbound juvenile salmon passage at Electron dam on the Puyallup river.

(d) Legislative members of the work group shall be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(e) The expenses of the work group, other than travel expenses of legislative members, shall be paid within existing funds from the department of fish and wildlife.

(f) The work group shall present its findings and recommendations to the appropriate committees of the legislature by January 1, 2009.

(g) This subsection expires January 1, 2009.

(38) As part of its 2009-11 biennial budget request, the department shall submit a report detailing the methodology for determining the value of payment in lieu of taxes as provided in RCW 79.70.130. At a minimum, the report will show the number of acres subject to the payment in lieu of taxes, the tax rates assumed by each affected county, and the resulting value of the state general fund obligation.

(39) Within the appropriations in this section, specific funding is provided to implement Engrossed Senate Bill No. 6821 (fish and wildlife information).

(40) \$250,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Second Substitute Senate Bill No. 6227 (outer coast marine resources committees). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(41) \$115,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for Substitute Senate Bill No. 6231 (marine protected areas). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

Sec. 1205. 2009 c 4 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund—State Appropriation (FY 2008)	\$50,328,000
General Fund—State Appropriation (FY 2009)	(\$48,695,000)
	<u>\$65,720,000</u>
General Fund—Federal Appropriation	\$27,855,000
General Fund—Private/Local Appropriation	\$1,408,000
Forest Development Account—State Appropriation	(\$57,603,000)
	<u>\$57,647,000</u>
Off-Road Vehicle Account—State Appropriation	\$4,196,000
Surveys and Maps Account—State Appropriation	\$2,523,000
Aquatic Lands Enhancement Account—State Appropriation	\$7,897,000
Resources Management Cost Account—State Appropriation	(\$94,633,000)
	<u>\$95,426,000</u>
Surface Mining Reclamation Account—State Appropriation	\$3,279,000
Disaster Response Account—State Appropriation	\$5,000,000
Forest and Fish Support Account—State Appropriation	\$7,000,000
Water Quality Account—State Appropriation (FY 2008)	\$1,348,000
Water Quality Account—State Appropriation (FY 2009)	\$1,348,000
Aquatic Land Dredged Material Disposal Site Account—State Appropriation	\$1,335,000
Natural Resources Conservation Areas Stewardship Account—State Appropriation	\$34,000
State Toxics Control Account—State Appropriation	\$80,000
Air Pollution Control Account—State Appropriation	\$567,000
Nonhighway and Off-Road Vehicle Activities Program Account—State Appropriation	\$982,000

Derelict Vessel Removal Account—State Appropriation.	\$3,650,000
Agricultural College Trust Management Account—State Appropriation.	\$2,046,000
TOTAL APPROPRIATION	<u>(((\$321,807,000)) \$339,669,000)</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$1,021,000 of the general fund—state appropriation for fiscal year 2008 and \$1,043,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) \$13,920,000 of the general fund—state appropriation for fiscal year 2008, ~~(((\$13,542,000))~~ \$30,292,000 of the general fund—state appropriation for fiscal year 2009, and \$5,000,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations.

(3) Fees approved by the department of natural resources and the board of natural resources in the 2007-09 biennium are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(4) \$198,000 of the general fund—state appropriation for fiscal year 2008 and \$199,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to work with appropriate stakeholders and state agencies in determining how privately owned lands, in combination with other land ownership such as public and tribal lands, contribute to wildlife habitat. The assessment will also determine how commercial forests, forest lands on the urban fringe, and small privately-owned forest lands that are managed according to Washington's forest and fish prescriptions, in combination with other forest management activities, function as wildlife habitat now and in the future.

(5) \$5,000,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to tribes. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse. The department shall compile the outcomes of these grants annually and submit them to the office of financial management by September 1 of 2008 and 2009.

(6) \$400,000 of the forest and fish support account—state appropriation is provided solely for adaptive management, monitoring, and participation grants to the departments of ecology and fish and wildlife. If federal funding for this purpose is reinstated, this subsection shall lapse.

(7) The department shall prepare a feasibility study that analyzes applicable business processes and develops the scope, requirements, and alternatives for replacement of the department's current suite of payroll-support systems. The department shall use an independent consultant to assist with the study, and shall submit the completed analysis to the office of financial management, the

department of personnel, and the department of information services by August 1, 2008.

(8) \$600,000 of the general fund—state appropriation for fiscal year 2008 and \$600,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to continue interagency agreements with the department of fish and wildlife and the department of ecology for forest and fish report field implementation tasks.

(9) All department staff serving as recreation-management trail stewards shall be noncommissioned.

(10) \$112,000 of the aquatic lands enhancement account—state appropriation is provided solely for spartina eradication efforts. The department may enter into agreements with federal agencies to eradicate spartina from private lands that may provide a source of reinfestation to public lands.

(11) \$40,000 of the general fund—state appropriation for fiscal year 2008 and \$40,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to convene and staff a work group to study issues related to wildfire prevention and protection. The work group shall be composed of members representing rural counties in eastern and western Washington, fire districts, environmental protection organizations, industrial forest landowners, the agricultural community, the beef industry, small forest landowners, the building industry, realtors, the governor or a designee, the insurance commissioner or a designee, the office of financial management, the state fire marshal or a designee, the state building code council, and the commissioner or public lands or a designee. The work group shall issue a report of findings and recommendations to the appropriate committees of the legislature by August 1, 2008.

(12) \$249,000 of the aquatic lands enhancement account—state appropriation is provided solely to implement Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, the department shall execute activities as described in Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership).

(13) \$2,000,000 of the derelict vessel removal account—state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6044 (derelict vessels). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(14) \$34,000 of the general fund—state appropriation for fiscal year 2008 and \$34,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 5236 (public lands management). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(15) \$14,000 of the forest development account—state appropriation and \$52,000 of the resources management cost account—state appropriation are provided solely for implementation of Substitute Senate Bill No. 5463 (forest fire protection). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(16) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$900,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the removal of one or two large floating dry docks off Lake Washington near the Port Quendall site in north Renton.

(17) \$547,000 of the general fund—state appropriation for fiscal year 2008 and \$726,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the implementation of Substitute Senate Bill No. 6141 (forest health). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(18) \$22,000 of the surface mining reclamation account—state appropriation and \$22,000 of the resources management cost account—state appropriation are provided solely for the implementation of Substitute Senate Bill No. 5972 (surface mining reclamation). If the bill is not enacted by June 30, 2007, the amounts in this subsection shall lapse.

(19) \$125,000 of the general fund—state appropriation for fiscal year 2008, \$125,000 of the general fund—state appropriation for fiscal year 2009, and \$250,000 of the resource management cost account—state appropriation are provided solely to extend the 2005-2007 contract with the University of Washington college of forestry resources for additional research and technical assistance on the future of Washington forests. Reports shall be submitted by June 30, 2009, to the appropriate committees of the legislature on the following topics:

(a) An exploration of the potential markets for renewable energy from biomass from Washington forests, especially from material removed from eastern Washington forests as part of forest health improvement efforts. This exploration shall assess the feasibility of converting large amounts of underutilized forest biomass into useful products and green energy by providing required analyses needed to efficiently collect and deliver forest biomass to green energy end users. The role of transportation and processing infrastructure in developing markets for such material for both clean energy and value-added products shall be included in the exploration. The college shall coordinate with Washington State University efforts to identify what new biological, chemical, and engineering technologies are emerging for converting forest biomass to clean and efficient energy.

(b) Recommendations for the college's northwest environmental forum for retaining the highest valued working forest lands at risk of conversion to nonforest uses. These recommendations should include an examination of means to enhance biodiversity through strategic retention of certain lands, as well as economic incentives for landowners to retain lands as working forests and provide ecosystem services. The recommendations shall consider the health and value of the forest lands, the rate of loss of working forest lands in the area, the risk to timber processing infrastructure from continued loss of working forest lands, and the multiple benefits derived from retaining working forest lands. The recommendations shall prioritize forest lands in the Cascade foothills, which include the area generally encompassing the nonurbanized lands within the Cascade mountain range and drainages lying between three hundred and three thousand feet above mean sea level, and located within Whatcom, Skagit, Snohomish, King, Pierce, Thurston, and Lewis counties.

(20) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for Chelan county, as the chair of the Stemilt partnership, to perform the following:

(a) Work with private and public land management entities to identify and evaluate land ownership possibilities;

(b) Allocate up to \$10,000 to the department of fish and wildlife to perform technical studies, baseline assessments, environmental review, due diligence, and similar real estate evaluations; and

(c) Implement real estate transactions based on the results of the studies.

(21) \$15,000 of the general fund—state appropriation for fiscal year 2008 and \$15,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for health benefits to Washington conservation corps employees.

(22) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$300,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for staff support for the natural heritage program to integrate, analyze, and provide bird area information, and for state designations and mapping support, among other activities.

(23) \$48,000 of the resource management cost account—state appropriation is provided solely to implement Second Substitute House Bill No. 2220 (shellfish). The department shall participate in a shellfish aquaculture regulatory committee, convened by the department of ecology. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(24) \$150,000 of the general fund—private/local appropriation is provided solely for the implementation of Substitute Senate Bill No. 5445 (cost-reimbursement agreements). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(25) \$191,000 of the aquatic lands enhancement account—state appropriation is provided solely for the department to coordinate with the Puget Sound partnership to complete a final habitat conservation plan for state-owned aquatic lands and an environmental impact statement by June 2009.

(26) \$251,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2844 (urban forestry). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(27) \$80,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to complete maps of lower Hood Canal, including subsurface geologic layers, lithology, digital layers, and maps to identify liquifiable sediments for hazard mitigation. The department shall provide a report to the appropriate committees of the legislature on maps that were produced by December 1, 2008.

(28) As part of its 2009-11 biennial budget request, the department shall submit a report detailing the methodology for determining the value of payment in lieu of taxes as provided in RCW 79.70.130. At a minimum, the report will show the number of acres subject to the payment in lieu of taxes, the tax rates assumed by each affected county, and the resulting value of the state general fund obligation.

(29) \$200,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to supplement other available funds for an analysis of whether forest practices rules (including rules for harvest on potentially unstable slopes, road construction and maintenance, and post-harvest slash treatment) effectively protect public resources and public safety from landslides, and other storm-related impacts. The analysis is to be accomplished using the forest practices

board adaptive management process. The cooperative monitoring, evaluation, and research (CMER) committee of the adaptive management program shall submit a report of its preliminary analysis and conclusions to the appropriate committees of the legislature by December 1, 2008. The forest practices board shall submit a complete report of the CMER study on the effectiveness of current prescriptions and practices by June 30, 2009. This amount is ongoing solely to make improvements to the state's geological survey.

(30) \$26,000 of the general fund—state appropriation for fiscal year 2008 and \$71,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Substitute House Bill No. 2472 (recreational opportunities).

Sec. 1206. 2009 c 4 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2008)	\$370,000
General Fund—State Appropriation (FY 2009)	\$560,000
General Fund—Federal Appropriation	\$2,655,000
General Fund—Private/Local Appropriation	\$2,500,000
Aquatic Lands Enhancement Account—State Appropriation	\$500,000
Water Quality Account—State Appropriation (FY 2008)	\$3,660,000
Water Quality Account—State Appropriation (FY 2009)	(\$4,098,000))
	<u>\$3,898,000</u>
State Toxics Account—State Appropriation	(\$1,510,000))
	<u>\$1,710,000</u>
TOTAL APPROPRIATION	\$15,853,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$600,000 of the water quality account—state appropriation for fiscal year 2008, ~~(\$1,400,000))~~ \$1,200,000 of the water quality account—state appropriation for fiscal year 2009, and \$2,500,000 of the general fund—private/local appropriation are provided solely for the education of citizens through attracting and utilizing volunteers to engage in activities that result in environmental benefits.

(2) \$2,208,000 of the water quality account—state appropriation for fiscal year 2008, \$2,209,000 of the water quality account—state appropriation for fiscal year 2009, \$370,000 of the general fund—state appropriation for fiscal year 2008, \$560,000 of the general fund—state appropriation for fiscal year 2009, and \$1,155,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5372 (Puget Sound partnership). If the bill is not enacted by June 30, 2007, then \$2,208,000 of the water quality account—state appropriation for fiscal year 2008, \$2,209,000 of the water quality account—state appropriation for fiscal year 2009, \$1,155,000 of the general fund—federal appropriation, \$500,000 of the general fund—state appropriation for fiscal year 2008, and \$500,000 of the general fund—state appropriation for fiscal year 2009 are appropriated to the office of the governor for operation of the Puget Sound action team.

(3) To implement the 2007-09 Puget Sound biennial plan required by Engrossed Substitute Senate Bill No. 5372 (Puget Sound partnership), funding is provided solely for Puget Sound recovery activities in the budgets of selected

agencies and institutions of higher education, including the department of agriculture, department of community, trade and economic development, conservation commission, department of ecology, department of fish and wildlife, department of health, interagency committee for outdoor recreation, department of natural resources, state parks and recreation commission, the Puget Sound partnership, University of Washington, and Washington State University. During the 2007-09 biennium, moneys are provided solely for these agencies and institutions of higher education as provided for in ((LEAP)) OFM document ((PSAT-2007)) PSP-2009.

(4) \$305,000 of the water quality account—state appropriation for fiscal year 2009 ((and \$305,000 of the general fund—federal appropriation are)) is provided solely for an outcome monitoring program first for Puget Sound and Washington's coastline and then across the remaining salmon recovery regions across the state.

(5) \$852,000 of the water quality account—state appropriation for fiscal year 2008, \$231,000 of the water quality account—state appropriation for fiscal year 2009, and \$900,000 of the state toxics control account appropriation are provided solely for development and implementation of the 2020 action agenda.

**PART XIII
TRANSPORTATION**

Sec. 1301. 2009 c 4 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2008)	\$38,968,000
General Fund—State Appropriation (FY 2009)	(((\$28,334,000))
	<u>\$32,288,000</u>
General Fund—Federal Appropriation	\$5,629,000
General Fund—Private/Local Appropriation	\$1,223,000
Death Investigations Account—State Appropriation	(((\$5,680,000))
	<u>\$5,681,000</u>
Public Safety and Education Account—State Appropriation (FY 2008)	\$1,476,000
Public Safety and Education Account—State Appropriation (FY 2009)	\$2,687,000
Enhanced 911 Account—State Appropriation	\$572,000
County Criminal Justice Assistance Account—State Appropriation	\$3,133,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,222,000
Fire Service Trust Account—State Appropriation	\$131,000
Disaster Response Account—State Appropriation	\$2,000
Fire Service Training Account—State Appropriation	\$8,010,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$495,000
Violence Reduction and Drug Enforcement Account—State Appropriation (FY 2008)	\$3,007,000

Violence Reduction and Drug Enforcement

Account—State Appropriation (FY 2009)	\$4,429,000
Fingerprint Identification Account—State Appropriation.	\$10,057,000
TOTAL APPROPRIATION	(\$15,109,000)
	<u>\$119,064,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$233,000 of the general fund—state appropriation for fiscal year 2008, \$282,000 of the general fund—state appropriation for fiscal year 2009, and \$357,000 of the fingerprint identification account—state appropriation are provided solely for workload associated with implementation of the federal Adam Walsh Act — the Children's Safety and Violent Crime Reduction Act of 2006.

(2) In accordance with RCW 10.97.100 and chapter 43.43 RCW, the Washington state patrol is authorized to perform and charge fees for criminal history and background checks for state and local agencies, and nonprofit and other private entities and disseminate the records. It is the policy of the state of Washington that the fees cover, as nearly as practicable, the direct and indirect costs of performing criminal history and background checks activities. Pursuant to RCW 43.135.055, during the 2007-2009 fiscal biennium, the Washington state patrol may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the direct and indirect cost of the criminal history and background check activities.

(3) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(4) \$350,000 of the fire service training account—state appropriation is provided solely to implement the provisions of Senate Bill No. 6119 (firefighter apprenticeship training program). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(5) \$200,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for efforts to reduce the number of convicted offender biological samples awaiting DNA analysis.

(6) Within the appropriations in this section, specific funding is provided to implement Second Substitute Senate Bill No. 5642 (cigarette ignition).

PART XIV EDUCATION

Sec. 1401. 2009 c 4 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2008)	\$36,444,000
General Fund—State Appropriation (FY 2009)	(\$38,605,000)
	<u>\$38,708,000</u>

General Fund—Federal Appropriation	\$77,182,000
TOTAL APPROPRIATION	(\$152,231,000)
	<u>\$152,334,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~A maximum of~~) \$11,920,000 of the general fund—state appropriation for fiscal year 2008 and (~~a maximum of \$12,019,000~~) \$10,152,000 of the general fund—state appropriation for fiscal year 2009 are for the operation and expenses of the office of the superintendent of public instruction. Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award. The students selected for the award must demonstrate understanding through completion of at least one of the classroom-based civics assessment models developed by the superintendent of public instruction, and through leadership in the civic life of their communities. The superintendent shall select two students from eastern Washington and two students from western Washington to receive the award, and shall notify the governor and legislature of the names of the recipients.

(2) \$1,080,000 of the general fund—state appropriation for fiscal year 2008 and (~~\$815,000~~) \$796,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Within the amounts provided, the board shall implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) for which it is responsible, including: (a) Develop a comprehensive set of recommendations for an accountability system; (b) adopt high school graduation requirements aligned with international performance standards in mathematics and science and, in conjunction with the office of the superintendent of public instruction, identify no more than three curricula that are aligned with these standards; and (c) review all requirements related to the high school diploma as directed by section 405, chapter 263, Laws of 2006.

(3) \$4,779,000 of the general fund—state appropriation for fiscal year 2008 and (~~\$6,248,000~~) \$5,808,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the professional educator standards board for the following:

(a) \$930,000 in fiscal year 2008 and \$1,257,000 in fiscal year 2009 are for the operation and expenses of the Washington professional educator standards board, including administering the alternative routes to certification program, pipeline for paraeducators conditional scholarship loan program, and the retooling to teach math conditional loan program. Within the amounts provided in this subsection (3)(a), the professional educator standards board shall: (i) Revise the teacher mathematics endorsement competencies and alignment of teacher tests to the updated competencies; (ii) review teacher preparation requirements in cultural understanding and make recommendations for strengthening these standards; (iii) create a new professional level teacher assessment; (iv) expand the alternative routes to teacher certification program for business professionals and instructional assistants who will teach math and

science; (v) revise requirements for college and university teacher preparation programs to match a new knowledge- and skill-based performance system; and (vi) test implementation of a revised teacher preparation program approach that is classroom experience-intensive and performance-based;

(b) \$3,269,000 of the general fund—state appropriation for fiscal year 2008 and \$3,966,000 of the general fund—state appropriation for fiscal year 2009 are for conditional scholarship loans and mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board. Of the amounts provided in this subsection (3)(b):

(i) \$500,000 each year is provided solely for conditional scholarships to candidates seeking an endorsement in special education, math, science, or bilingual education;

(ii) \$2,210,000 for fiscal year 2008 and \$3,230,000 for fiscal year 2009 are for the expansion of conditional scholarship loans and mentor stipends for individuals enrolled in alternative route state partnership programs and seeking endorsements in math, science, special education or bilingual education;

(iii) Remaining amounts in this subsection (3)(b) shall be used to continue existing alternative routes to certification programs; and

(iv) Candidates seeking math and science endorsements under (i) and (ii) of this subsection (3)(b) shall receive priority for funding;

(c) \$236,000 of the general fund—state appropriation for fiscal year 2008 and \$231,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the recruiting Washington teachers program established in Second Substitute Senate Bill No. 5955 (educator preparation, professional development, and compensation);

(d) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$110,000 of the general fund—state appropriation for fiscal year 2009 provided in this subsection (3) are for \$4,000 conditional loan stipends for paraeducators participating in the pipeline for paraeducators established in Second Substitute House Bill No. 1906 (improving mathematics and science education); and

(e) \$244,000 of the general fund—state appropriation for fiscal year 2008 and \$244,000 of the general fund—state appropriation for fiscal year 2009 are for conditional stipends for certificated teachers pursuing a mathematics or science endorsement under the retooling to teach mathematics or science program established in Second Substitute House Bill No. 1906 (improving mathematics and science education). The conditional stipends shall be for endorsement exam fees as well as stipends for teachers who must also complete coursework.

(4) Within the amounts appropriated in this section, funding is for the professional educator standards board (PESB) to convene a work group to develop recommendations for increasing teacher knowledge, skills, and competencies to address the needs of English language learner students, pursuant to Second Substitute Senate Bill No. 6673 (student learning opportunities).

(5) \$425,000 of the general fund—state appropriation for fiscal year 2008 and \$1,975,000 of the general fund—state appropriation for fiscal year 2009 are for replacement of the apportionment system, which includes the processes that

collect school district budget and expenditure information, staffing characteristics, and the student enrollments that drive the funding process.

(6) Within the amounts appropriated in this section, funding is for direct services and support to schools around an integrated, interdisciplinary approach to instruction in conservation, natural resources, sustainability, and human adaptation to the environment. Specific integration efforts will focus on science, math, and the social sciences. Integration between basic education and career and technical education, particularly agricultural and natural sciences education, is to be a major element.

(7) Within the amounts appropriated in this section, funding is for the creation of a statewide data base of longitudinal student information. This amount is conditioned on the department satisfying the requirements in section 902 of this act.

(8) Within the amounts appropriated in this section, funding is for comprehensive cultural competence and anti-bias education programs for educators and students. The office of superintendent of public instruction shall administer grants to school districts with the assistance and input of groups such as the anti-defamation league and the Jewish federation of Seattle.

(9) Within the amounts appropriated in this section, funding is to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(10) Within the amounts appropriated in this section, funding is for the implementation of Engrossed Second Substitute Senate Bill No. 5843 (regarding educational data and data systems).

(11) Within the amounts appropriated in this section, funding is for the implementation of Substitute House Bill No. 1052 (legislative youth advisory council). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(12) Within the amounts appropriated in this section, funding is for the implementation of Engrossed Second Substitute House Bill No. 1422 (children and families of incarcerated parents).

(13) Within the amounts appropriated in this section, funding is for the implementation of Second Substitute Senate Bill No. 5098 (Washington college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(14) Within the amounts appropriated in this section, funding is for the implementation of Engrossed Substitute Senate Bill No. 5297 (regarding providing medically and scientifically accurate sexual health education in schools).

(15) Within the amounts appropriated in this section, funding is for a program to recognize the work of outstanding classified staff in school districts throughout the state.

(16) Within the amounts appropriated in this section, funding is for a full-time director of skills centers within the office of the superintendent of public instruction.

(17) Within the amounts appropriated in this section, funding is for the office of the superintendent of public instruction to contract with the northwest educational research laboratory (NWREL) to conduct two educational studies. Specifically, NWREL shall:

(a) Conduct a study regarding teacher preparation, training, and coordinated instructional support strategies for English language learners, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature; and

(b) Conduct a study of the effectiveness of the K-3 demonstration projects as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). An interim report is due November 1, 2008, and the final report is due December 1, 2009. Both reports shall be delivered to the governor, the office of the superintendent of public instruction, and the appropriate early learning, education, and fiscal committees of the legislature.

(18) Within the amounts appropriated in this section, funding is for the office of the superintendent of public instruction to contract with Washington State University social and economic sciences research center (WSU-SESRC) to conduct to educational research studies. The WSU-SESRC shall:

(a) Conduct a study which reviews chapter 207, Laws of 2002 (bullying in schools), evaluate the outcomes resulting from the legislation, and to make recommendations for continued improvement. The study shall, at a minimum, determine: (i) Whether the policies have been developed and implemented in all elementary, middle, and high schools; (ii) whether there has been any measurable improvement in the safety and civility of schools' climate and environment as a result of the legislation; (iii) whether there are still issues that need to be addressed in light of the original intent of the legislation; and (iv) recommended actions to be taken at the school, district, and state level to address the identified issues. Additionally, WSU-SESRC shall research and identify effective programs and the components of effective programs. A report shall be submitted to the education committees of the legislature and the office of the superintendent of public instruction by September 1, 2008.

(b) Conduct an evaluation of the mathematics and science instructional coach program as described in Second Substitute House Bill No. 1906 (improving mathematics and science education). Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with coaching activities as experienced by classroom teachers and administrators. An interim report is due November 1, 2008. The final report is due December 1, 2009. Both the interim and final report shall be presented to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature.

(19) Within the amounts appropriated in this section, funding is for additional costs incurred by the state board of education in reviewing proposed math standards and curriculum.

(20) During the 2007-09 biennium, to the maximum extent possible, in adopting new agency rules or making any changes to existing rules or policies

related to the fiscal provisions in the administration of part V of this act, the office of the superintendent of public instruction shall attempt to request approval through the normal legislative budget process.

(21) Within the amounts appropriated in this section, funding is for a comprehensive analysis of math and science teacher supply and demand issues by the professional educator standards board. By December 1, 2008, the professional educator standards board shall submit a final report to the governor and appropriate policy and fiscal committees of the legislature, that includes, but is not limited to: (a) Specific information on the current number of math and science teachers assigned to teach mathematics and science both with and without appropriate certification in those subjects by region and statewide; (b) projected demand information by detailing the number of K-12 mathematics and science teachers needed by the 2010-11 school year by region and statewide; (c) specific recommendations on how the demand will be met through recruitment programs, alternative route certification programs, potential financial incentives, retention strategies, and other efforts; and (d) identification of strategies, based on best practices, to improve the rigor and productivity of state-funded mathematics and science teacher preparation programs. As part of the final report, the professional educator standards board and the Washington state institute for public policy shall provide information from a study of differential pay for teachers in high-demand subject areas such as mathematics and science, including the design, successes, and limitations of differential pay programs in other states. In order for the professional educator standards board to quantify demand, each school district shall provide to the board, by a date and in a format specified by the board, the number of teachers assigned to teach mathematics and science, both with and without appropriate certification and endorsement in those subjects, and the number of mathematics and science teaching vacancies needing to be filled, and the board shall include this data, by district, in its analysis.

(22) Within the amounts appropriated in this section, funding is for the implementation of Substitute Senate Bill No. 6556 (anaphylactic policy).

(23) Within the amounts appropriated in this section, funding is for the implementation of Substitute Senate Bill No. 6742 (guidelines for students with autism) and Substitute Senate Bill No. 6743 (training for students with autism).

(24) Within the appropriations in this section, specific funding is provided for the implementation of Second Engrossed Substitute Senate Bill No. 5100 (health insurance information for students).

(25) Within the amounts appropriated in this section, funding is for implementation of Second Substitute House Bill No. 2722 (achievement gap for African-American students). The center for the improvement of student learning will convene an advisory committee to conduct a detailed analysis of the achievement gap for African-American students; recommend a comprehensive plan for closing the gap pursuant to goals under the federal no child left behind act for all groups of students to meet academic standards by 2014; and identify performance measures to monitor adequate yearly progress. A study update shall be submitted by September 15, 2008, and the committee's final report shall be submitted by December 30, 2008, to the superintendent of public instruction, the state board of education, the governor, the P-20 council, the basic education finance task force, and the education committees of the legislature.

(26) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 2598 (online mathematics curriculum).

(27) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 2635 (school district boundaries and organization).

(28) Within the appropriations in this section specific funding is provided to implement Second Substitute House Bill No. 3129 (online learning programs for high school students to earn college credit).

(29) Within the amounts appropriated in this section, funding is for the office of superintendent of public instruction to assign at least one full-time equivalent staff position to serve as the world language supervisor.

(30) Within the amounts appropriated in this section, funding is for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(31) Within the amounts appropriated in this section, funding is for the school safety center in the office of the superintendent of public instruction subject to the following conditions and limitations:

(a) The safety center shall: Disseminate successful models of school safety plans and cooperative efforts; provide assistance to schools to establish a comprehensive safe school plan; select models of cooperative efforts that have been proven successful; act as an information dissemination and resource center when an incident occurs in a school district either in Washington or in another state; coordinate activities relating to school safety; review and approve manuals and curricula used for school safety models and training; and develop and maintain a school safety information web site.

(b) The school safety center advisory committee shall develop a training program, using the best practices in school safety, for all school safety personnel.

(32) Within the amounts appropriated in this section, funding is for a school safety training program provided by the criminal justice training commission. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(33) Within the amounts appropriated in this section, funding is for the safety center advisory committee to develop and distribute a pamphlet to promote internet safety for children, particularly in grades seven through twelve. The pamphlet shall be posted on the superintendent of public instruction's web site. To the extent possible, the pamphlet shall be distributed in schools throughout the state and in other areas accessible to youth, including but not limited to libraries and community centers.

(34) \$9,670,000 of the general fund—federal appropriation is provided for safe and drug free schools and communities grants for drug and violence prevention activities and strategies.

(35) Within the amounts appropriated in this section, funding is for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide a request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops

serving at least 12 school districts with direct programming in 36 elementary, middle, and high schools throughout Washington state.

(36) Within the amounts appropriated in this section, funding is for a pilot youth suicide prevention and information program. The office of superintendent of public instruction will work with selected school districts and community agencies in identifying effective strategies for preventing youth suicide.

(37) Within the amounts appropriated in this section, funding is for programs to improve safety and emergency preparedness and planning in public schools, as generally described in Substitute Senate Bill No. 5097. The superintendent of public instruction shall design and implement the grant program in consultation with the educational service districts, the school safety advisory committee, and the Washington association of sheriffs and police chiefs. The funding shall support grants to school districts for the development and updating of comprehensive safe school plans, school safety training, and the conducting of safety-related drills. As a condition of receiving these funds, school districts must ensure that schools (a) conduct at least one lockdown and one shelter in place safety drill each school year, and (b) send updated school mapping database information on an annual basis to the Washington association of sheriffs and police chiefs.

(38) Within the amounts appropriated in this section, funding is for the Washington state school directors' association to mediate and facilitate a school disciplinary action task force to review and make recommendations on a model policy regarding the use of physical force in schools. The model policy shall be submitted to the appropriate policy committees of the legislature by November 1, 2008.

(39) Within the amounts appropriated in this section, funding is for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(40) The office of the superintendent of public instruction shall coordinate, in collaboration with educational service districts, a system of outreach to school districts not currently maximizing their eligibility for federal e-rate funding through the schools and libraries program administered by the federal communications commission. By December 15, 2008, the office of the superintendent of public instruction shall issue a report to the fiscal committees of the legislature identifying school districts that were eligible but did not apply for e-rate funding for the last two years, and an estimate of the amounts for which they were eligible in those years. The report shall also include recommendations for following-up on the findings relative to the e-rate program contained in the state auditor's performance audit of educational service districts completed September, 2007.

(41) Within the amounts appropriated in this section, funding is to expand the special services pilot project to include up to seven participating districts. The office of the superintendent of public instruction shall allocate these funds to the district or districts participating in the pilot program according to the provisions of RCW 28A.630.016.

(42) Within the amounts appropriated in this section, funding is for operation of the Cispus environmental learning center.

(43) Within the amounts appropriated in this section, funding is for vocational student leadership organizations.

(44) Within the amounts appropriated in this section, funding is for the Washington civil liberties education program.

(45) Within the amounts appropriated in this section, funding is for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(46) Within the amounts appropriated in this section, funding is for the Lorraine Wojahn dyslexia pilot reading program in up to five school districts.

(47) Within the amounts appropriated in this section, funding is for developing and disseminating curriculum and other materials documenting women's role in World War II.

(48) Within the amounts appropriated in this section, funding is for incentive grants for districts and pilot projects to develop preapprenticeship programs. Incentive grant awards up to \$10,000 each shall be used to support the program's design, school/business/labor agreement negotiations, and recruiting high school students for preapprenticeship programs in the building trades and crafts.

(49) Within the amounts appropriated in this section, funding is for the dissemination of the Navigation 101 curriculum to all districts, including disseminating electronic student planning tools and software for analyzing the impact of the implementation of Navigation 101 on student performance, and grants to at least one hundred school districts each year for the implementation of the Navigation 101 program. The implementation grants will be limited to a maximum of two years and the school districts selected shall represent various regions of the state and reflect differences in school district size and enrollment characteristics.

(50) Within the amounts appropriated in this section, funding is for the enhancement of civics education. Of this amount, \$25,000 each year is provided solely for competitive grants to school districts for curriculum alignment, development of innovative civics projects, and other activities that support the civics assessment established in chapter 113, Laws of 2006.

(51) Within the amounts appropriated in this section, funding is for the implementation of Second Substitute House Bill No. 1573 (authorizing a statewide program for comprehensive dropout prevention, intervention, and retrieval).

(52) Within the amounts appropriated in this section, funding is for the communities in school program in Pierce county.

(53) Within the amounts appropriated in this section, funding is for support and expansion of the mentoring advanced placement program in current operation in southwest Washington.

(54) Within the amounts appropriated in this section, funding is for program initiatives to address the educational needs of Latino students and families. The office of the superintendent of public instruction shall contract with the Seattle community coalition of compaña quetzal to provide for three initiatives: (a) Early childhood education; (b) parent leadership training; and (c) high school

success and college preparation programs. Campana quetzal shall report to the office of the superintendent of public instruction by June 30, 2009, regarding impact of the programs on addressing the academic achievement gap, including high school drop-out rates and college readiness rates, for Latino students.

(55) Within the amounts appropriated in this section, funding is for implementation of Second Substitute House Bill No. 2870 (professional development for instructional assistants). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(56) Within the amounts appropriated in this section, funding is for a pilot project to encourage bilingual high school students to pursue public school teaching as a profession. The office of the superintendent of public instruction shall contract with the Latino/a educational achievement project (LEAP) to work with school districts to identify and mentor not fewer than fifty bilingual students in their junior year of high school, encouraging them to become bilingual instructors in schools with high English language learner populations. Students shall be mentored by bilingual teachers and complete a curriculum developed and approved by the participating districts.

(57) In addition to other reductions, the reduced appropriations in this section reflect an additional (~~(\$225,000)~~) \$122,000 reduction in administrative costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1402. 2009 c 4 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2008)	\$4,436,719,000
General Fund—State Appropriation (FY 2009)	((\$4,477,998,000))
	<u>\$4,510,419,000</u>
Education Legacy Trust Account—State Appropriation	((\$9,373,000))
	<u>\$9,387,000</u>
Pension Funding Stabilization Account Appropriation	\$341,624,000
TOTAL APPROPRIATION	((\$9,265,714,000))
	<u>\$9,298,149,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for certificated staff salaries for the 2007-08 and 2008-09 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (e) through (g) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (d) through (g) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) Forty-nine certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 4.2 certificated instructional staff units for grades K-3 and an additional 7.2 certificated instructional staff units for grade 4. Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 53.2 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio in grades K-4 equal to or greater than 53.2 certificated instructional staff per thousand full-time equivalent students may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction with a waiver allowed for skills centers in current operation that are not meeting this standard until the 2008-09 school year, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students;

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support; and

(iii) Indirect cost charges by a school district to vocational-secondary programs shall not exceed 15 percent of the combined basic education and vocational enhancement allocations of state funds;

(d) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the state board of education and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(e) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the state board of education:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in

grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full time equivalent students.

Units calculated under (g)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students;

(g) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit; and

(i) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit.

(3) Allocations for classified salaries for the 2007-08 and 2008-09 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(e) through (i) of this section, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each 58.75 average annual full-time equivalent students; and

(c) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit.

(4) Fringe benefit allocations shall be calculated at a rate of 14.11 percent in the 2007-08 school year and 16.75 percent in the 2008-09 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 17.04 percent in the 2007-08 school year and 18.72 percent in the 2008-09 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(2) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection (2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$9,703 per certificated staff unit in the 2007-08 school year and a maximum of \$10,178 per certificated staff unit in the 2008-09 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$23,831 per certificated staff unit in the 2007-08 school year and a maximum of \$24,999 per certificated staff unit in the 2008-09 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$18,489 per certificated staff unit in the 2007-08 school year and a maximum of \$19,395 per certificated staff unit in the 2008-09 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$555.20 for the 2007-08 and 2008-09 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

(8) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(9) \$1,870,000 of the general fund—state appropriation for fiscal year 2008 and \$2,421,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to implement Engrossed Second Substitute House Bill No. 1432 (granting service credit to educational staff associates for nonschool employment).

(10) The superintendent may distribute a maximum of ~~((\$16,620,000))~~ \$16,634,000 outside the basic education formula during fiscal years 2008 and 2009 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$547,000 may be expended in fiscal year 2008 and a maximum of \$567,000 may be expended in fiscal year 2009;

(b) For summer vocational programs at skills centers, a maximum of \$2,385,000 may be expended for the 2008 fiscal year and a maximum of \$2,385,000 for the 2009 fiscal year. 20 percent of each fiscal year amount may carry over from one year to the next;

(c) A maximum of \$393,000 may be expended for school district emergencies;

(d) A maximum of \$485,000 each fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs; and

(e) (~~(\$9,373,000)~~) \$9,387,000 of the education legacy trust account appropriation is provided solely for allocations for equipment replacement in vocational programs and skills centers. Each year of the biennium, the funding shall be allocated based on \$75 per full-time equivalent vocational student and \$125 per full-time equivalent skills center student.

(f) Within the amounts appropriated in this section, funding is for the implementation of Second Substitute Senate Bill No. 5790 (regarding skills centers).

(11) For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.7 percent from the 2006-07 school year to the 2007-08 school year and 6.0 percent from the 2007-08 school year to the 2008-09 school year.

(12) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

(13) The appropriation levels in part V of this act assume implementation of the reimbursement provisions of Senate Bill No. 6450 (school district reimbursement of performance audits).

Sec. 1403. 2008 c 329 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2008) \$161,280,000

General Fund—State Appropriation (FY 2009) (~~(\$405,228,000)~~)

\$407,478,000

General Fund—Federal Appropriation (~~(\$275,000)~~)

\$276,000

TOTAL APPROPRIATION (~~(\$566,783,000)~~)

\$569,034,000

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~(\$500,195,000)~~) \$502,039,000 is provided solely for the following:

(a) A cost of living adjustment of 3.7 percent effective September 1, 2007, and another 3.9 percent effective September 1, 2008, pursuant to Initiative Measure No. 732.

(b) An additional .5 percent cost of living adjustment is provided above the amount required by Initiative Measure No. 732, effective September 1, 2008.

(c) Additional salary increases as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary increases shall be provided to all 262 districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule. These additional salary increases will result in a decrease in the number of grandfathered districts from the current thirty-four to twenty-four in the 2007-08 school year and to twelve in the 2008-09 school year.

(d) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases shall ensure a minimum salary allocation for certificated administrative staff of \$54,405 in the 2007-08 school year and \$57,986 in the 2008-09 school year.

(e) Additional salary increases to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These additional salary increases ensure a minimum salary allocation for classified staff of \$30,111 in the 2007-08 school year and \$31,865 in the 2008-09 school year.

(f) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates 13.47 percent for the 2007-08 school year and 16.11 percent for the 2008-09 school year for certificated staff and 13.54 percent for the 2007-08 school year and 15.22 percent for the 2008-09 school year for classified staff.

(g) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(h) The appropriations in this section provide cost of living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	\$1.08	\$2.46
Highly Capable (per formula student)	\$11.13	\$25.51
Transitional Bilingual Education (per eligible bilingual student)	\$29.80	\$68.33
Learning Assistance (per formula student)	\$7.00	\$18.86

(i) The appropriations in this section include \$925,000 for fiscal year 2008 and (~~(\$2,314,000)~~) \$2,322,000 for fiscal year 2009 for salary increase adjustments for substitute teachers.

(2) (~~(\$66,591,000)~~) \$66,719,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$682.54 per month for the 2007-08 and 2008-09 school years. The appropriations in this section provide for a rate increase to \$707.00 per month for the 2007-08 school year and \$732.00 per month for the 2008-09 school year. The adjustments to health insurance benefit allocations are at the following rates:

	School Year	
	2007-08	2008-09
Pupil Transportation (per weighted pupil mile)	\$0.22	\$0.45
Highly Capable (per formula student)	\$1.50	\$3.05
Transitional Bilingual Education (per eligible bilingual student)	\$3.96	\$8.01
Learning Assistance (per formula student)	\$0.86	\$2.05

(3) The rates specified in this section are subject to revision each year by the legislature.

Sec. 1404. 2008 c 329 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2008)	\$273,409,000
General Fund—State Appropriation (FY 2009)	((\$276,510,000))
	<u>\$291,499,000</u>
Education Legacy Trust Account—State	
Appropriation	\$25,000,000
TOTAL APPROPRIATION	((\$574,919,000))
	<u>\$589,908,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$848,000 of this fiscal year 2008 appropriation and a maximum of \$878,000 of the fiscal year 2009 appropriation may be expended for regional transportation coordinators and related activities. The transportation

coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) \$5,000 of the fiscal year 2008 appropriation and \$5,000 of the fiscal year 2009 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of \$44.84 per weighted mile in the 2007-08 school year and \$45.68 per weighted mile in the 2008-09 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

(5) \$25,000,000 of the education legacy trust account—state appropriation is provided solely for temporary assistance to school districts for pupil transportation programs. The office of the superintendent of public instruction, in consultation with the joint legislative audit and review committee, will develop a method of allocating these funds to school districts. The allocation method shall be based primarily on the findings and analysis from the joint legislative and audit review committee's K-12 pupil transportation study completed in December 2006.

(6) The office of the superintendent of public instruction shall provide reimbursement funding to a school district only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(7) The superintendent of public instruction shall base depreciation payments for school district buses on the five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

Sec. 1405. 2008 c 329 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2008)	\$543,469,000
General Fund—State Appropriation (FY 2009)	(\$581,925,000))
	<u>\$580,312,000</u>
General Fund—Federal Appropriation	(\$435,692,000))
	<u>\$438,852,000</u>

Education Legacy Trust Account—State

Appropriation.....	\$14,561,000
TOTAL APPROPRIATION	((\$1,575,647,000))
	<u>\$1,577,194,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall adopt the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006, and ensure that all school districts adopt the method beginning in the 2007-08 school year.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: (a) The first category includes (i) children birth through age two who are eligible for the optional program for special education eligible developmentally delayed infants and toddlers, and (ii) students eligible for the mandatory special education program and who are age three or four, or five and not yet enrolled in kindergarten; and (b) the second category includes students who are eligible for the mandatory special education program and who are age five and enrolled in kindergarten and students age six through 21.

(5)(a) For the 2007-08 and 2008-09 school years, the superintendent shall make allocations to each district based on the sum of:

(i) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten, as defined in subsection (4) of this section, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(b) of this section, multiplied by the district's average basic education allocation per full-time equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age four enrollment and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with subsection (6)(b) of this section, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) To the extent necessary, (~~(\$53,926,000)~~) \$56,553,000 of the general fund—state appropriation and \$29,574,000 of the general fund—federal appropriation are provided for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (5) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (8) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education-eligible students. Awards associated with (b) and (c) of this subsection shall not exceed the total of a district's specific determination of need.

(b) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services. The safety net awards to school districts shall be adjusted to reflect amounts awarded under (b) of this subsection.

(d) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(f) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999. The state safety net oversight committee shall ensure that safety net documentation and awards are based on current medicaid revenue amounts.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff from the office of superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) The office of the superintendent of public instruction shall review and streamline the application process to access safety net funds, provide technical assistance to school districts, and annually survey school districts regarding improvement to the process.

(12) A maximum of \$678,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(13) A maximum of \$1,000,000 of the general fund—federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(14) \$50,000 of the general fund—state appropriation for fiscal year 2008, \$50,000 of the general fund—state appropriation for fiscal 2009, and \$100,000 of the general fund—federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction. The purpose of the program is to provide support to parents, guardians, educators, and students with disabilities. The program will provide information to help families and educators understand state laws, rules, and regulations, and access training and support, technical information services, and

mediation services. The ombudsman program will provide data, information, and appropriate recommendations to the office of superintendent of public instruction, school districts, educational service districts, state need projects, and the parent and teacher information center. Within the appropriations in this section there is sufficient funding provided to also provide at least a half-time support staff position for the special education ombudsman program.

(15) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(16) A maximum of \$1,200,000 of the general fund—federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services.

(17) The superintendent, consistent with the new federal IDEA reauthorization, shall continue to educate school districts on how to implement a birth-to-three program and review the cost effectiveness and learning benefits of early intervention.

(18) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(19) \$262,000 of the general fund—state appropriation for fiscal year 2008 and \$251,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

Sec. 1406. 2008 c 329 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2008)	\$203,555,000
General Fund—State Appropriation (FY 2009)	(\$220,100,000)
	<u>\$224,514,000</u>
TOTAL APPROPRIATION	(\$423,655,000)
	<u>\$428,069,000</u>

Sec. 1407. 2008 c 329 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2008)	\$19,105,000
General Fund—State Appropriation (FY 2009)	(\$19,764,000)
	<u>\$21,664,000</u>
TOTAL APPROPRIATION	(\$38,869,000)
	<u>\$40,769,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$187,000 of the general fund—state appropriation for fiscal year 2008 and ~~(((\$133,797))~~ \$329,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

Sec. 1408. 2008 c 329 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2008)	\$8,383,000
General Fund—State Appropriation (FY 2009)	(((\$8,788,000))
	<u>\$8,776,000</u>
TOTAL APPROPRIATION	(((\$17,171,000))
	<u>\$17,159,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$372.15 per funded student for the 2007-08 school year and ~~(((\$378.13))~~ \$378.32 per funded student for the 2008-09 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of 2.314 percent of each district's full-time equivalent basic education enrollment.

(3) \$170,000 of the fiscal year 2008 appropriation and \$170,000 of the fiscal year 2009 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$90,000 of the fiscal year 2008 appropriation and \$90,000 of the fiscal year 2009 appropriation are provided for the Washington destination imagination network and future problem-solving programs.

Sec. 1409. 2008 c 329 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2008)	\$65,595,000
General Fund—State Appropriation (FY 2009)	(\$69,560,000)
	<u>\$68,924,000</u>
General Fund—Federal Appropriation	\$45,243,000
TOTAL APPROPRIATION	(\$180,398,000)
	<u>\$179,762,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) The superintendent shall distribute a maximum of \$824.12 per eligible bilingual student in the 2007-08 school year and \$840.64 in the 2008-09 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

(3) The superintendent may withhold up to 1.5 percent of the school year allocations to school districts in subsection (2) of this section, and adjust the per eligible pupil rates in subsection (2) of this section accordingly, solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2).

(4) \$70,000 of the amounts appropriated in this section are provided solely to track current and former transitional bilingual program students.

(5) The general fund—federal appropriation in this section is provided for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(6) Pursuant to RCW 28A.150.260, during the 2007-09 biennium, the office of the superintendent of public instruction shall not make exit of the transitional bilingual program contingent on passing both the Washington language proficiency test and the Washington assessment of student learning without prior legislative approval.

Sec. 1410. 2009 c 4 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2008)	\$66,272,000
General Fund—State Appropriation (FY 2009)	(\$84,636,000)
	<u>\$84,663,000</u>
Education Legacy Trust Account—State	
Appropriation	\$117,890,000
General Fund—Federal Appropriation	(\$152,568,000)
	<u>\$158,499,000</u>
TOTAL APPROPRIATION	(\$421,366,000)
	<u>\$427,324,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$19,716,000 of the general fund—state appropriation for fiscal year 2008, (~~(\$20,948,000)~~) \$22,096,000 of the general fund—state appropriation for fiscal year 2009, \$1,350,000 of the education legacy trust account—state appropriation, and (~~(\$15,870,000)~~) \$18,236,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington assessments of student learning (WASL), including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas of the WASL; and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student WASL results, on or around June 10th of each year. In addition to the amounts provided for the Washington assessments of student learning in this subsection, \$11,372,000 is also included in the appropriations to the office of financial management in this act for an interagency agreement with the office of superintendent of public instruction for the expenditure of those funds based on compliance with certain requirements.

(2) \$3,249,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the implementation of Substitute House Bill No. 3166 (design of the state assessment system and the Washington assessment of student learning), including section 3 of the act providing for end-of-course tests in math. If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2008, \$250,000 of the general fund—state appropriation for fiscal year 2009, and \$1,630,000 of the education legacy trust account—state appropriation is provided solely for the development and implementation of diagnostic assessments, subject to the following terms and conditions:

(a) A maximum of \$2,540,000 of the funding provided in this subsection shall support the development and implementation of voluntary classroom-based diagnostic assessments and progress monitoring tools for all subject areas included in the WASL by the office of the superintendent of public instruction; and

(b) \$2,360,000 of the funding provided in this subsection is for allocations to school districts to purchase assessment tools which supplement the system of diagnostic tests developed by the office of the superintendent of public instruction as described in (a) of this subsection.

(4) Within the amounts appropriated in this section, funding is for second grade assessments.

(5) \$1,414,000 of the general fund—state appropriation for fiscal year 2008 (~~and~~) is provided solely for (a) the tenth grade mathematics assessment tool that: (i) Presents the mathematics essential learnings in segments for assessment; (ii) is comparable in content and rigor to the tenth grade mathematics WASL when all segments are considered together; (iii) is reliable and valid; and (iv) can be used to determine a student's academic performance level; (b) tenth grade mathematics knowledge and skill learning modules to teach middle and high school students specific skills that have been identified as

areas of difficulty for tenth grade students; and (c) making the modules available on-line.

(6) \$1,966,000 of the general fund—state appropriation for fiscal year 2009 and \$2,337,000 of the education legacy trust account appropriation are provided solely to develop a system of mathematics and science standards and instructional materials that are internationally competitive and consistent with emerging best practices research. Funding in this subsection shall fund all of the following specific projects:

(a) The office of the superintendent of public instruction shall adopt revised state standards in mathematics as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in mathematics selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in mathematics.

(b) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic mathematics curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised mathematics standards.

(c) The office of the superintendent of public instruction shall adopt revised state standards in science as directed by Second Substitute House Bill No. 1906 (improving mathematics and science education). Activities include conducting research at the request of the state board of education, engaging one or more national experts in science selected by the board, and convening education practitioners and community members in an advisory capacity regarding revised standards in science.

(d) The office of the superintendent of public instruction, in consultation with the state board of education, shall research and identify not more than three basic science curricula as well as diagnostic and supplemental instructional materials for elementary, middle, and high school grade spans that align with the revised science standards.

(e) The office of the superintendent of public instruction shall evaluate science textbooks, instructional materials, and diagnostic tools to determine the extent to which they are aligned with the revised science standards. Once the evaluations have been conducted, results will be shared with science teachers, other educators, and community members.

(f) Funding is provided for the office of the superintendent of public instruction to develop WASL knowledge and skill learning modules to assist students performing at tenth grade level 1 and level 2 in science.

(g) Of the amounts provided in this subsection, \$300,000 is provided solely to the state board of education to increase capacity to implement the provisions of Second Substitute House Bill No. 1906 (improving mathematics and science education) and Engrossed Second Substitute Senate Bill No. 6023 (regarding alternative assessments).

(7) \$8,950,000 of the education legacy trust account appropriation is for allocations to districts for salaries and benefits for the equivalent of two additional professional development days each school year for fourth and fifth grade teachers. The allocations shall be made based on the calculations of

certificated instructional staff units for fourth and fifth grade provided in section 502 of this act and on the calculations of compensation provided in sections 503 and 504 of this act. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. In the 2007-08 school year, the professional development activities funded by this subsection shall be focused on development of mathematics knowledge and instructional skills and on improving instruction in science. In the 2008-09 school year, the additional professional development shall focus on skills related to implementing the new international mathematics and science standards and curriculum. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development.

(8) \$13,058,000 of the education legacy trust fund appropriation is for allocations to districts for salaries and benefits for the equivalent of three additional professional development days for middle and high school math teachers and the equivalent of three additional professional development days for middle and high school science teachers. The office of the superintendent of public instruction shall develop rules to determine the number of math and science teachers in middle and high schools within each district. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008. Districts may use the funding to support additional days for professional development as well as job-embedded forms of professional development, consistent with the following:

(a) For middle school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on development of basic mathematics knowledge and instructional skills and the additional science professional development shall focus on examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For middle school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(b) For high school teachers during the 2007-08 school year the additional math professional development funded in this subsection shall focus on skills related to implementing state math learning modules, the segmented math class/assessment program, the collection of evidence alternative assessment, and basic mathematics knowledge and instructional skills, and the additional science professional development shall focus on skills related to examination of student science assessment data and identification of science knowledge and skill areas in need of additional instructional attention. For high school teachers during the 2008-09 school year the additional math professional development shall focus on skills related to implementing the new international mathematics standards and the additional science professional development shall focus on skills related to implementing the new international science standards.

(9) \$17,491,000 of the education legacy trust fund appropriation is for allocations to districts for specialized professional development in math for one math teacher and one science teacher in each middle school and one math teacher and one science teacher in each high school. The allocations shall be based on five additional professional development days per teacher and an additional allocation per teacher of \$1,500 for training costs. In order to generate an allocation under this subsection, a teacher must participate in specialized professional development that leads to the implementation of mathematics and science courses that add new rigor to the math and science course offerings in the school. Allocations made pursuant to this subsection are intended to be formula-driven, and the office of the superintendent of public instruction shall provide updated projections of the relevant budget drivers by November 20, 2007, and by November 20, 2008.

(10) \$5,376,000 of the education legacy trust account—state appropriation is provided solely for a math and science instructional coaches program pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). Funding shall be used to provide grants to schools and districts to provide salaries, benefits, and professional development activities to twenty-five instructional coaches in middle and high school math in the 2007-08 and 2008-09 school years and twenty-five instructional coaches in middle and high school science in the 2008-09 school years; and up to \$300,000 may be used by the office of the superintendent of public instruction to administer and coordinate the program. Each instructional coach will receive five days of training at a coaching institute prior to being assigned to serve two schools each. These coaches will attend meetings during the year to further their training and assist with coordinating statewide trainings on math and science.

(11) \$1,133,000 of the general fund—state appropriation for fiscal year 2008 and \$1,133,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to allow approved middle and junior high school career and technical education programs to receive enhanced vocational funding pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education). The office of the superintendent of public instruction shall provide allocations to districts for middle and junior high school students in accordance with the funding formulas provided in section 502 of this act. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall adjust funding to stay within the amounts provided in this subsection.

(12) Within the amounts appropriated in this section, funding is for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year professional development training for implementing integrated math, science, technology, and engineering program in their schools.

(13) Within the amounts appropriated in this section, funding is for in-service training and educational programs conducted by the Pacific science center and for the Washington state leadership assistance for science education reform (LASER) regional partnership coordinated at the Pacific science center.

(14) \$51,701,000 of the education legacy trust account—state appropriation is provided solely for grants for voluntary full-day kindergarten at the highest poverty schools, as provided in Engrossed Second Substitute Senate Bill 5841 (enhancing student learning opportunities and achievement). The office of the superintendent of public instruction shall provide allocations to districts for recipient schools in accordance with the funding formulas provided in section 502 of this act. Each kindergarten student who enrolls for the voluntary full-day program in a recipient school shall count as one-half of one full-time equivalent student for the purpose of making allocations under this subsection. Although the allocations are formula-driven, the office of the superintendent shall consider the funding provided in this subsection as a fixed amount, and shall limit the number of recipient schools so as to stay within the amounts appropriated each fiscal year in this subsection. The funding provided in this subsection is estimated to provide full-day kindergarten programs for 10 percent of kindergarten enrollment in the 2007-08 school year and 20 percent of kindergarten enrollment in the 2008-09 school year. Funding priority shall be given to schools with the highest poverty levels, as measured by prior year free and reduced priced lunch eligibility rates in each school. Additionally, as a condition of funding, school districts must agree to provide the full-day program to the children of parents who request it in each eligible school. For the purposes of calculating a school district levy base, funding provided in this subsection shall be considered a state block grant program under RCW 84.52.0531.

(a) Of the amounts provided in this subsection, a maximum of \$272,000 may be used for administrative support of the full-day kindergarten program within the office of the superintendent of public instruction.

(b) Student enrollment pursuant to this program shall not be included in the determination of a school district's overall K-12 FTE for the allocation of student achievement programs and other funding formulas unless specifically stated.

(15) Within the amounts appropriated in this section, funding is for support of a full-day kindergarten "lighthouse" resource program at the Bremerton school district, as provided in Engrossed Second Senate Bill No. 5841 (enhancing student learning opportunities and achievement). The purpose of the program is to provide technical assistance to districts in the initial stages of implementing a high quality full-day kindergarten program.

(16) Within the amounts appropriated in this section, funding is for grants for three demonstration projects for kindergarten through grade three. The purpose of the grants is to implement best practices in developmental learning in kindergarten through third grade pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement).

(17) \$300,000 of the general fund—state appropriation for fiscal year 2008 and \$1,000,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to design, field test, and implement a state-of-the-art education leadership academy that will be accessible throughout the state. Initial development of the content of the academy activities shall be supported by private funds. Semiannually the independent organization shall report on amounts committed by foundations and others to support the

development and implementation of this program. Leadership academy partners, with varying roles, shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(18) Within the amounts appropriated in this section, funding is for grants to school districts to implement emerging best practices activities in support of classroom teachers' instruction of students, with a first language other than English, who struggle with acquiring academic English skills, as outlined in Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). Best practices shall focus on professional development for classroom teachers and support of instruction for English language learners in regular classrooms. School districts qualifying for these grants shall serve a student population that reflects many different first languages among their students. The Northwest educational research laboratory (NWREL) shall evaluate the effectiveness of the practices supported by the grants as provided in section 501 of this act. Recipients of these grants shall cooperate with NWREL in the collection of program data.

(19) Within the amounts appropriated in this section, funding is for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(20) Within the amounts appropriated in this section, funding is provided for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in this subsection may be used each fiscal year to operate a mentor academy to help districts provide effective training for peer mentors. Funds for the teacher assistance program shall be allocated to school districts based on the number of first year beginning teachers.

(21) Within the amounts appropriated in this section, funding is for the leadership internship program for superintendents, principals, and program administrators.

(22) \$105,765,000 of the general fund—federal appropriation is provided for preparing, training, and recruiting high quality teachers and principals under Title II of the no child left behind act.

(23) Within the amounts appropriated in this section, funding is for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (a) Development of an individualized professional growth plan for a new principal or principal candidate; and (b) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build the skills identified as critical to the success of the professional growth plan. Within the amounts provided, \$25,000 per year shall be used to support additional participation of secondary principals.

(24) Within the amounts appropriated in this section, funding is for the office of the superintendent of public instruction for focused assistance. The office of the superintendent of public instruction shall conduct educational audits of low-performing schools and enter into performance agreements between school districts and the office to implement the recommendations of the audit

and the community. Each educational audit shall include recommendations for best practices and ways to address identified needs and shall be presented to the community in a public meeting to seek input on ways to implement the audit and its recommendations.

(25) Within the amounts appropriated in this section, funding is for a high school and school district improvement program modeled after the office of the superintendent of public instruction's existing focused assistance program in subsection (25)(b) of this section. The state funding for this improvement program will match an equal amount committed by a nonprofit foundation in furtherance of a jointly funded program.

(26) Within the amounts appropriated in this section, funding is for summer accountability institutes offered by the superintendent of public instruction. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, social studies, including civics, and guidance and counseling. The superintendent of public instruction shall offer at least one institute specifically for improving instruction in mathematics in fiscal years 2008 and 2009 and at least one institute specifically for improving instruction in science in fiscal year 2009.

(27) Within the amounts appropriated in this section, funding is for the evaluation of mathematics textbooks, other instructional materials, and diagnostic tools to determine the extent to which they are aligned with the state standards. Once the evaluations have been conducted, results will be shared with math teachers, other educators, and community members for the purposes of validating the conclusions and then selecting up to three curricula, supporting materials, and diagnostic instruments as those best able to assist students to learn and teachers to teach the content of international standards. In addition, the office of the superintendent shall continue to provide support and information on essential components of comprehensive, school-based reading programs.

(28) Within the amounts appropriated in this section, funding is for the mathematics helping corps subject to the following conditions and limitations:

(a) In order to increase the availability and quality of technical mathematics assistance statewide, the superintendent of public instruction shall employ mathematics school improvement specialists to provide assistance to schools and districts. The specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The mathematics improvement specialists shall not be permanent employees of the superintendent of public instruction.

(b) The school improvement specialists shall provide the following:

(i) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(ii) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the mathematics assessments;

(iii) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(iv) Assistance in the identification and implementation of research-based instructional practices in mathematics;

(v) Staff training that emphasizes effective instructional strategies and classroom-based assessment for mathematics;

(vi) Assistance in developing and implementing family and community involvement programs emphasizing mathematics; and

(vii) Other assistance to schools and school districts intended to improve student mathematics learning.

(29) Within the amounts appropriated in this section, funding is for the improvement of reading achievement and implementation of research-based reading models. The superintendent shall evaluate reading curriculum programs and other instructional materials to determine the extent to which they are aligned with state standards. A report of the analyses shall be made available to school districts. The superintendent shall report to districts the assessments that are available to screen and diagnose reading difficulties, and shall provide training on how to implement a reading assessment system. Resources may also be used to disseminate grade level expectations and develop professional development modules and web-based materials.

(30) \$30,706,000 of the general fund—federal appropriation is provided for the reading first program under Title I of the no child left behind act.

(31) \$500,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the office of the superintendent of public instruction to award five grants to parent, community, and school district partnership programs that will meet the unique needs of different groups of students in closing the achievement gap. The legislature intends that the pilot programs will help students meet state learning standards, achieve the skills and knowledge necessary for college or the workplace, reduce the achievement gap, prevent dropouts, and improve graduation rates.

(a) The pilot programs shall be designed in such a way as to be supplemental to educational services provided in the district and shall utilize a community partnership based approach to helping students and their parents.

(b) The grant recipients shall work in collaboration with the office of the superintendent of public instruction to develop measurable goals and evaluation methodologies for the pilot programs. \$25,000 of this appropriation may be used by the office of the superintendent of public instruction to hold a statewide meeting to disseminate successful strategies developed by the grantees.

(c) The office of the superintendent of public instruction shall issue a report to the legislature in the 2009 session on the progress of each of the pilot programs.

(32) Within the amounts appropriated in this section, funding is for the office of the superintendent of public instruction to support and award Washington community learning center program grants pursuant to Engrossed Second Substitute Senate Bill No. 5841 (enhancing student learning opportunities and achievement). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(33) Within the amounts appropriated in this section, funding is for the elimination of the lunch co-pay for students in grades kindergarten through third grade that are eligible for reduced price lunch.

(34) Within the amounts appropriated in this section, funding is for the development of mathematics support activities provided by community organizations in after school programs. Pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education), the office of the superintendent of public instruction shall administer grants to community organizations that partner with school districts to provide these activities and develop a mechanism to report program and student success.

(35) Within the amounts appropriated in this section, funding is for: (a) The meals for kids program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-pay for students eligible for reduced price lunch; and (c) for additional assistance for school districts initiating a summer food service program.

(36) Within the amounts appropriated in this section, funding is for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs. Grants provided under this section may be used by school districts for expenditures from September 2007 through August 31, 2009.

(37) Within the amounts appropriated in this section, funding is for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(38) Within the amounts appropriated in this section, funding is for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(39) Within the amounts appropriated in this section, funding is for the development and posting of web-based instructional tools, assessment data, and other information that assists schools and teachers implementing higher academic standards.

(40) Within the amounts appropriated in this section, funding is for the operation of the center for the improvement of student learning pursuant to RCW 28A.300.130.

(41) Within the amounts appropriated in this section, funding is for one-time allocations for technology upgrades and improvements. The funding shall be allocated based on \$3,000 for each elementary school, \$6,000 for each middle or junior high school, and \$11,000 for each high school. In cases where a particular school's grade span or configuration does not fall into these categories, the office of superintendent of public instruction will develop an allocation to that school that recognizes the unique characteristics but maintains the proportionate allocation identified in this subsection.

(42) Within the amounts appropriated in this section, funding is for costs associated with office of the superintendent of public instruction establishing a statewide director of technology position pursuant to Second Substitute House Bill No. 1906 (improving mathematics and science education).

(43)(a) Within the amounts appropriated in this section, funding is for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of \$5,000 per teacher in fiscal year 2008 and adjusted for inflation in fiscal year 2009. Beginning in the 2007-2008 school year and thereafter, national board certified teachers who become public school principals shall continue to receive this bonus for as long as they are principals and maintain the national board certification;

(ii) During the 2007-2008 school year, for national board certified teachers who teach in schools where at least 70 percent of student headcount enrollment is eligible for the federal free or reduced price lunch program, an additional \$5,000 annual bonus to be paid in one lump sum. Beginning in the 2008-2009 school year and thereafter, an additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch; and

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a prorated manner.

(b) Included in the amounts provided in this subsection are amounts for mandatory fringe benefits. Unless Senate Bill No. 6657 (salary bonuses for individuals certified by the national board for professional teaching standards) is enacted by June 30, 2008, the annual bonus shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(c) For purposes of this subsection, "the percent of the student headcount enrollment eligible for the federal free or reduced price lunch program" shall be defined as: (i) For the 2007-08 and the 2008-09 school years, schools in which the prior year percentage of students eligible for the federal free and reduced price lunch program meets the criteria specified in subsection (41)(a)(ii) of this section; and (ii) in the 2008-09 school year, any school that met the criterion in (c)(i) of this subsection in the 2007-08 school year.

(d) Within the amounts appropriated in this subsection, the office of superintendent of public instruction shall revise rules to allow teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching at the Washington school for the deaf or Washington school for the blind, to receive the annual bonus amounts specified in this subsection if they are otherwise eligible.

(44) Within the amounts appropriated in this section, funding is for the implementation of Second Substitute Senate Bill No. 6377 (career and technical education).

(45) \$3,900,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for an allocation of four dollars and nine cents per full-time equivalent student, or as much as the funding in this subsection will allow, to maintain and improve library materials, collections, and services. The funding provided in this subsection shall be used to augment current funding for librarian programs provided through basic education and other existing funding mechanisms. In order to receive allocations under this section, school districts must agree that to the maximum extent possible they will ensure that library programs and services are equitably provided throughout the district.

(46) Within the amounts appropriated in this section, funding is for the implementation of Second Substitute Senate Bill No. 6483 (local farms-healthy kids and communities).

(47) Within the amounts appropriated in this section, funding is for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) which requires the office of the superintendent of public instruction to explore online curriculum support in languages other than English.

(48) Within the amounts appropriated in this section, funding is for grants to five skills centers to develop and plan for implementation of integrated English language development/career skills programs that pair English language development teachers with career/technical education instructors in the classroom. The office of the superintendent of public instruction and skill center staff shall work with the state board for community and technical colleges I-BEST program staff and local community and technical college program staff to develop the program to assure critical program elements are included and that the skill center programs provide a seamless transition for high school students to the community and technical college programs for students choosing that pathway. The request for proposal or grant application shall be issued no later than May 1, 2008, so that grant recipients can begin program planning and development efforts on July 1, 2008. The superintendent of public instruction shall provide the resulting implementation plans to the governor and the appropriate committees of the legislature by November 1, 2008.

(49) Within the amounts appropriated in this section, funding is for support of public high schools' participation in the FIRST robotics program. The office of the superintendent of public instruction shall issue grants not to exceed \$10,000 per school to be used for teacher stipends, registration fees, equipment, and other costs associated with direct participation in the program. High-poverty schools and schools starting up robotics programs shall be given priority in funding.

(50) In addition to other reductions, the reduced appropriations in this section reflect an additional (~~(\$499,000))~~ \$602,000 reduction in administrative

costs required by Engrossed Substitute Senate Bill No. 5460 (reducing state government administrative costs). These administrative reductions shall be achieved, to the greatest extent possible, by reducing those administrative costs that do not affect direct client services or direct service delivery or programs.

Sec. 1411. 2009 c 4 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2008)	\$68,381,000
General Fund—State Appropriation (FY 2009)	(\$84,654,000))
	<u>\$86,268,000</u>
General Fund—Federal Appropriation	\$360,660,000
Education Legacy Trust Account—State Appropriation	\$45,953,000
TOTAL APPROPRIATION	(((\$559,648,000))
	<u>\$561,262,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) Funding for school district learning assistance programs shall be allocated at maximum rates of \$220.34 per funded student for the 2007-08 school year and \$265.08 per funded student for the 2008-09 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(c) A school district's funded students for the learning assistance program shall be the sum of the following as appropriate:

(i) The district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year; and

(ii) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch exceeded forty percent, subtract forty percent from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the prior school year.

(d) In addition to amounts allocated in (b) and (c) of this subsection, an additional amount shall be allocated to a school district for each school year in which the district's allocation is less than the amount the district received for the general fund—state learning assistance program allocation in the 2004-05 school year. The amount of the allocation in this section shall be sufficient to maintain the 2004-05 school year allocation.

(e) If Second Substitute Senate Bill No. 6673 (student learning opportunities) is enacted by June 30, 2008, in addition to the amounts allocated in (b), (c), and (d) of this subsection, an additional amount shall be allocated to school districts with high concentrations of poverty and English language learner

students beginning in the 2008-2009 school year, subject to the following rules and conditions:

(i) To qualify for additional funding under this subsection, a district's October headcount enrollment in grades kindergarten through grade twelve must have at least twenty percent enrolled in the transitional bilingual instruction program based on an average of the program headcount taken in October and May of the prior school year; and must also have at least forty percent eligible for free or reduced price lunch based on October headcount enrollment in grades kindergarten through twelve in the prior school year.

(ii) Districts meeting the specifications in (e)(i) of this subsection shall receive additional funded students for the learning assistance program at the rates specified in subsection (1)(b) of this section. The number of additional funded student units shall be calculated by subtracting twenty percent from the district's percent transitional bilingual instruction program enrollment as defined in (e)(i) of this subsection, and the resulting percent shall be multiplied by the district's kindergarten through twelve annual average full-time equivalent enrollment for the prior school year.

(2) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(3) Small school districts are encouraged to make the most efficient use of the funding provided by using regional educational service district cooperatives to hire staff, provide professional development activities, and implement reading and mathematics programs consistent with research-based guidelines provided by the office of the superintendent of public instruction.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state or education legacy trust funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) School districts are encouraged to coordinate the use of these funds with other federal, state, and local sources to serve students who are below grade level and to make efficient use of resources in meeting the needs of students with the greatest academic deficits.

(6) Within the amounts appropriated in this section, funding is for the implementation of Engrossed Second Substitute Senate Bill No. 6673 (student learning opportunities) which establishes the extended learning program to provide additional instructional services for eligible students in grades eight, eleven, and twelve during the regular school day, evenings, on weekends, or at other times in order to meet the needs of these students. This funding is in addition to the estimated \$986,000 of associated compensation increases associated with this legislation in section 504 of this act.

Sec. 1412. 2009 c 4 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR STUDENT ACHIEVEMENT PROGRAM

Student Achievement Account—State Appropriation

(FY 2008). \$423,369,000

Student Achievement Account—State Appropriation

(FY 2009). ((~~\$436,910,000~~))

\$74,910,000

General Fund—Federal Appropriation	\$362,000,000
TOTAL APPROPRIATION	\$860,279,000

The appropriations in this section are subject to the following conditions and limitations:

(1) Funding for school district student achievement programs shall be allocated at a maximum rate of \$450.00 per FTE student for the 2007-08 school year and \$458.10 per FTE student for the 2008-09 school year. For the purposes of this section, FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year, as reported to the office of the superintendent of public instruction by August 31st of the previous school year.

(2) The appropriation is allocated for the following uses as specified in RCW 28A.505.210:

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extended day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection (2).

(3) The superintendent of public instruction shall distribute the school year allocation according to the monthly schedule defined in RCW 28A.505.220.

Sec. 1413. 2008 c 329 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION. (1) Appropriations made in this act to the office of superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (2) of this section.

(2) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, ((2008)) 2009, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund

appropriations for fiscal year ((2008)) 2009 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; and learning assistance programs.

(3) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

PART XV HIGHER EDUCATION

Sec. 1501. 2009 c 4 s 603 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2008)	\$373,726,000
General Fund—State Appropriation (FY 2009)	\$358,727,000
General Fund—Private/Local Appropriation	((\$300,000))
	<u>\$350,000</u>
Education Legacy Trust Account—State	
Appropriation.	\$43,181,000
Accident Account—State Appropriation	\$6,513,000
Medical Aid Account—State Appropriation	\$6,371,000
TOTAL APPROPRIATION	((\$788,818,000))
	<u>\$788,868,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$15,744,000 of the education legacy trust account—state appropriation is to expand general enrollments by 625 student FTEs in fiscal year 2008 and by an additional 625 student FTEs in fiscal year 2009. Of these, 165 FTEs in 2008 and 165 FTEs in 2009 are expected to be graduate student FTEs.

(2) \$6,975,000 of the education legacy trust account—state appropriation is to expand math and science undergraduate enrollments by 250 student FTEs in each fiscal year. The programs expanded shall include mathematics, engineering, and the physical sciences. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in math and science programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2008 and \$85,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the Washington state academy of sciences, authorized by chapter 70.220 RCW.

(4) \$100,000 of the general fund—state appropriation for fiscal year 2008 and \$100,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support of the William D. Ruckelshaus center.

(5) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the

student support services program at the University of Washington by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(6) \$84,000 of the general fund—state appropriation for fiscal year 2008 and \$84,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to establish the state climatologist position.

(7) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$125,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center to identify and carry out, or otherwise appropriately support, a process to identify issues that have led to conflict around land use requirements and property rights, and explore practical and effective ways to resolve or reduce that conflict. A report with conclusions and recommendations shall be submitted to the governor and the chairs of the appropriate committees of the legislature by October 31, 2007. Work will continue after the submission of the initial report, to include continuing research and the development of financial and policy options and a progress report on fact finding efforts and stakeholder positions due December 1, 2008.

(8) \$3,830,000 of the education legacy trust account—state appropriation is provided solely to expand health sciences capacity at the University of Washington. Consistent with the medical and dental school extension program appropriations at Washington State University and Eastern Washington University, funding is provided to expand classes at the University of Washington. Medical and dental students shall take the first year of courses for this program at the Riverpoint campus in Spokane and the second year of courses at the University of Washington in Seattle.

(9) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the University of Washington are enumerated as follows:

(a) Increase the combined number of baccalaureate degrees conferred per year at all campuses to 8,850;

(b) Increase the combined number of high-demand baccalaureate degrees conferred at all campuses per year to 1,380;

(c) Increase the combined number of advanced degrees conferred per year at all campuses to 3,610;

(d) Improve the six-year graduation rate for baccalaureate students to 74.7 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 76.0 percent;

(f) Improve the freshman retention rate to 93.0 percent;

(g) Improve time to degree for baccalaureate students to 92 percent at the Seattle campus and 92.5 percent at the Bothell and Tacoma campuses, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this subsection.

The University of Washington shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(10) \$750,000 of the education legacy trust account appropriation is provided solely to increase participation in international learning opportunities, particularly for students with lower incomes who would otherwise not have the chance to study, work, or volunteer outside the United States.

(11) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for forestry research by the Olympic natural resources center.

(12) \$25,000 of the general fund—state appropriation for fiscal year 2008 and \$25,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for coastal marine research by the Olympic natural resources center.

(13) \$95,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for increased education, training, and support services for the families of children with autism, and for the production and distribution of digital video discs in both English and Spanish about strategies for working with people with autism.

(14) \$2,900,000 of the general fund—state appropriation for fiscal year 2008 and \$3,400,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for operating support for the department of global health.

(15) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(16) \$150,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the rural technology initiative (initiative) at the University of Washington and the transportation research group (group) at the Washington State University to conduct an economic analysis of the costs to safely provide log hauling services. The initiative will be the lead investigator and administer the project. Neither the University of Washington nor the Washington State University may make a deduction for administrative costs. The project shall rely upon the Washington state patrol for determination of basic safe characteristics, consistent with applicable state and federal law. The analysis shall include:

(a) An estimate of log haulers' cost to operate and maintain a basic and safe log truck without operator including:

(i) Variable costs such as fuel, etc;

(ii) Quasi-variable costs such as:

(A) Tires, brakes, wrappers, and other safety related equipment;

- (B) Vehicle insurance, taxes, fees, etc;
- (C) Maintenance costs such as oil, lubrication, and minor repairs; and
- (D) Depreciation and replacement costs;

(b) The source of these cost estimates where possible should be independent vendors of equipment and services or already existing studies;

(c) A calculation of costs for safe operation expressed as per mile, hour or load volume including consideration for regional differences as well as off-road vs. on-road;

(d) An evaluation of comparable trucking services; and

(e) A review of log truck safety statistics in Washington state.

In conducting the analysis, the initiative shall consult with the northwest log truckers cooperative, the Washington trucking association, the Washington contract loggers association, the Washington farm forestry association, and the Washington forest protection association. By June 30, 2008, the initiative shall provide a report of its findings to the legislature and governor and distribute the findings to interested industry groups.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the Burke museum to support science and social science educational programs including public outreach programs, new educational programs and resources, web-based interactive learning experiences, teacher training, and traveling educational opportunities.

(18) \$150,000 of the general fund—state appropriation for fiscal year 2008 and \$300,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to the institute for learning and brain sciences.

(19) \$30,000 of the general fund—state appropriation for fiscal year 2008 and \$30,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the University of Washington to gather data and conduct research associated with preparing the basin-wide assessment and to solicit nominations for review and submittal to the Washington academy of sciences for the creation of the Puget Sound science panel pursuant to Engrossed Second Substitute Senate Bill No. 5372 (Puget Sound partnership).

(20)(a) \$500,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the University of Washington school of law loan repayment assistance program endowment fund. The University of Washington shall conduct fund-raising activities to increase private sector support of the endowment program and \$250,000 of the appropriation in this subsection is contingent on a private sector match. Funds in the law school repayment assistance program endowment fund shall be used to provide graduates who pursue careers in public interest legal positions with payment assistance toward their student loan debt.

(b) The University of Washington law school shall report to the legislature by December 1, 2010, information about the loan repayment assistance program. The report shall contain at least the following information:

(i) A financial summary of the endowment program;

(ii) The number of individuals receiving assistance from the program and information related to the positions in which these individuals are working;

(iii) Any available information regarding the effect of the loan repayment assistance program on student recruitment and enrollment; and

(iv) Other information the school of law deems relevant to the evaluation of the program.

(c) In its rules for administering the program, the school of law must make provision for cases of hardship or exceptional circumstances, as defined by the school of law. Examples of such circumstances include, but are not limited to, family leave, medical leave, illness or disability, and loss of employment.

(d) The loan repayment assistance program must be available to otherwise eligible graduates of the law school who work in positions with nonprofit organizations or government agencies. Such positions must be located within Washington state. Government agencies shall include the various branches of the military.

(21) \$54,000 of the general fund—state appropriation for fiscal year 2008 and \$54,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the University of Washington geriatric education center to develop a voluntary adult family home certification program. In addition to the minimum qualifications required under RCW 70.128.120, individuals participating in the voluntary adult family home certification program shall complete fifty-two hours of class requirements as established by the University of Washington geriatric education center. Individuals completing the requirements of RCW 70.128.120 and the voluntary adult family home certification program shall be issued a certified adult family home license by the department of social and health services. The department of social and health services shall adopt rules implementing the provisions of this subsection.

(22) \$22,000 of the general fund—state appropriation for fiscal year 2008 and \$97,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the William D. Ruckelshaus center for implementation of section 5 of Engrossed Second Substitute House Bill No. 3123 (nurse staffing). If section 5 of the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

(23) \$1,000,000 of the general fund—state appropriation for fiscal year 2009 is provided solely to establish an e-Science institute that will provide infrastructure and consulting expertise to university researchers in advanced computational techniques needed to capture, store, organize, access, mine, visualize, and interpret massive data sets.

(24) \$50,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for incentive grants to support medical research or medical training projects focused upon improvement of services to persons with developmental disabilities. The university shall report to appropriate committees of the legislature by December 1, 2008, on incentive grants awarded, and other efforts to improve training for medical students in treating persons with developmental disabilities.

(25) When implementing reductions in fiscal year 2009, the University of Washington shall minimize impacts on academic programs, maximize reductions in administration, and not reduce enrollments below enrollment levels referenced in 2008 c 329 s 604 and section 601 of this act.

Sec. 1502. 2009 c 4 s 606 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2008) \$47,691,000

General Fund—State Appropriation (FY 2009)	((\$45,272,000))
	<u>\$45,275,000</u>
Education Legacy Trust Account—State	
Appropriation.....	\$16,219,000
Pension Funding Stabilization Account	
Appropriation.....	\$4,330,000
TOTAL APPROPRIATION	((\$113,512,000))
	<u>\$113,515,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$2,474,000 of the education legacy trust account—state appropriation is to increase general enrollments by 70 FTE students in fiscal year 2008 and by an additional 211 FTE enrollments in fiscal year 2009. At least 30 of the additional fiscal year 2009 enrollments are expected to be graduate students.

(2) \$1,816,000 of the education legacy trust account—state appropriation for fiscal year 2008 is to increase math and science enrollments by 105 FTE students in fiscal year 2008 and by an additional 89 FTE students in fiscal year 2009. The university shall provide data to the office of financial management regarding math and science enrollments, graduations, and employment of college graduates related to state investments in math and science enrollment programs. Data may be provided through the centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(3) \$1,801,000 of the education legacy trust account—state appropriation is to increase high-demand undergraduate enrollments by 85 student FTEs in fiscal year 2008 and by an additional 70 FTE students in fiscal year 2009. The programs expanded shall include, but are not limited to, bilingual education and information technology. The university shall provide data to the office of financial management that is required to track changes in enrollments, graduations, and the employment of college graduates related to state investments in high-demand enrollment programs. Data may be provided through the public centralized higher education enrollment system or through an alternative means agreed to by the institutions and the office of financial management.

(4) \$500,000 of the education legacy trust account—state appropriation is provided solely to expand the number of TRIO eligible students served in the student support services program at Central Washington University by 250 students each year. TRIO students include low-income, first-generation, and college students with disabilities. The student support services program shall report annually to the office of financial management and the appropriate policy and fiscal committees of the legislature on the retention and completion rates of students served through this appropriation. Retention rates shall continue to exceed 85 percent for TRIO students in this program.

(5) The higher education coordinating board, the office of financial management, and the higher education institutions negotiated a set of performance measures, checkpoints, and targets in 2006. By July 31, 2007, the university and the board shall review and revise these targets based on per-student funding in the 2007-09 appropriations act. In addition, the board shall

compile comparable data from peer institutions in the eight global challenge states identified in the Washington Learns study.

The checkpoints previously agreed by the board and the Central Washington University are enumerated as follows:

(a) Increase the number of baccalaureate degrees conferred per year to 2,050;

(b) Increase the number of high-demand baccalaureate degrees conferred per year to 49;

(c) Increase the number of advanced degrees conferred per year at all campuses to 196;

(d) Improve the six-year graduation rate for baccalaureate students to 51.1 percent;

(e) Improve the three-year graduation rate for students who transfer with an associates degree to 72.3 percent;

(f) Improve the freshman retention rate to 78.2 percent;

(g) Improve time to degree for baccalaureate students to 86.6 percent, measured by the percent of admitted students who graduate within 125 percent of the credits required for a degree; and

(h) The institution shall provide a report on Pell grant recipients' performance within each of the measures included in this section.

Central Washington University shall report its progress and ongoing efforts toward meeting the provisions of this section to the higher education coordinating board prior to November 1, 2009.

(6) \$500,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Substitute House Bill No. 1497 (Central Washington University operating fee waivers). If the bill is not enacted by June 30, 2007, this appropriation shall lapse.

(7) In an effort to introduce students to and inform students of post-secondary opportunities in Washington state, by October 1st of each year the university shall report to the higher education coordinating board progress towards developing and implementing outreach programs designed to increase awareness of higher education to K-12 populations.

(8) When implementing reductions in fiscal year 2009, Central Washington University shall minimize impacts on academic programs, maximize reductions in administration, and not reduce enrollments below enrollment levels referenced in 2008 c 329 s 604 and section 601 of this act.

Sec. 1503. 2009 c 4 s 609 (uncodified) is amended to read as follows:

FOR THE HIGHER EDUCATION COORDINATING BOARD—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2008)	\$7,008,000
General Fund—State Appropriation (FY 2009)	\$6,533,000
General Fund—Federal Appropriation	\$4,333,000
TOTAL APPROPRIATION	\$17,874,000

The appropriations in this section are subject to the following conditions and limitations:

~~(1) ((\$87,000 of the general fund—state appropriation for fiscal year 2008 and \$169,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to maintain and update a scholarship clearinghouse that lists~~

~~every public and private scholarship available to Washington students))~~ Within the funds appropriated in this section, the board shall maintain and update a scholarship clearing house that lists every public and private scholarship available to Washington students. The higher education coordinating board shall develop a web-based interface for students and families as well as a common application for these scholarships.

~~(2) ((~~\$339,000 of the general fund—state appropriation for fiscal year 2008 and \$330,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of~~))~~ Within the funds appropriated in this section, the board shall implement Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

~~(3) ((~~\$200,000 of the general fund—state appropriation for fiscal year 2008 and \$150,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of~~))~~ Within the funds appropriated in this section, the board shall implement Engrossed Substitute House Bill No. 1131 (the passport to college promise). If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

~~(4) ((~~\$152,000 of the general fund—state appropriation for fiscal year 2008 and \$191,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for administration of~~))~~ Within the funds appropriated in this section, the board shall implement conditional scholarships.

~~(5) ((Except for moneys provided in this section for specific purposes, and to the extent that the executive director finds that the agency will not require the full amount appropriated for a fiscal year in this section, the unexpended appropriation shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes of fulfilling unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.~~

~~(6))~~ \$200,000 of the general fund—state appropriation is provided solely to implement a capital facility and technology capacity study which will compare the 10-year enrollment projections with the capital facility requirements and technology application and hardware capacity needed to deliver higher education programs for the period 2009-2019. The higher education coordinating board shall:

(a) Develop the study in collaboration with the state board for community and technical colleges, four-year universities, and the Washington independent colleges;

(b) Determine the 10-year capital facilities and technology application and hardware investment needed by location to deliver higher education programs to additional student FTE;

(c) Estimate operational and capital costs of the additional capacity; and

(d) Report findings to the legislature on October 1, 2008.

~~((7) \$85,000 of the general fund—state appropriation for fiscal year 2008 and \$127,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the board to))~~ (6) Within the funds appropriated in this section, the board shall prepare a program and operating plan for a higher education center in the Kitsap county area. The plan shall be developed in consultation with an advisory committee of civic, business, and educational leaders from Clallam, Jefferson, Kitsap, and Mason counties. It shall include a

projection of lower and upper division and graduate enrollment trends in the study area; a review of assessments of employer needs; an inventory of existing and needed postsecondary programs; recommended strategies for promoting active program participation in and extensive program offerings at the center by public and private baccalaureate institutions; and an estimate of operating and capital costs for the creation and operation of the center. The board shall submit its findings and recommendations to the governor and legislature by December 1, 2008.

~~((8)) \$60,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for implementation of))~~ (7) Within the funds appropriated in this section, the board shall implement Engrossed House Bill No. 2641 (education performance agreements). If the bill is not enacted by June 30, 2008, the amount provided in this subsection shall lapse.

~~((9))~~ (8) The higher education coordinating board, the department of licensing, and the department of health shall jointly review and report to appropriate policy committees of the legislature by December 1, 2008, on barriers and opportunities for increasing the extent to which veterans separating from duty are able to apply skills sets and education required while in service to certification, licensure, and degree requirements.

~~((10)) \$100,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the higher education coordinating board to))~~ (9) Within the funds appropriated in this section, the board shall convene interested parties from Snohomish, Island, and Skagit counties to consider the November 2007 site options and recommendations for a new campus of the University of Washington in Snohomish county. The three local communities shall develop a consensus recommendation on a single preferred site and present the recommendation to the higher education coordinating board. The higher education coordinating board shall then present the single preferred site recommendation to the appropriate legislative fiscal and policy committees by December 1, 2008.

Sec. 1504. 2009 c 4 s 610 (uncodified) is amended to read as follows:

**FOR THE HIGHER EDUCATION COORDINATING BOARD—
FINANCIAL AID AND GRANT PROGRAMS**

General Fund—State Appropriation (FY 2008)	\$163,286,000
General Fund—State Appropriation (FY 2009)	\$188,498,000
General Fund—Federal Appropriation	\$13,113,000
Education Legacy Trust Account—State Appropriation	(((\$108,188,000)) \$106,588,000
TOTAL APPROPRIATION	(((\$473,085,000)) \$471,485,000

The appropriations in this section are subject to the following conditions and limitations:

(1) \$154,760,000 of the general fund—state appropriation for fiscal year 2008, \$178,707,000 of the general fund—state appropriation for fiscal year 2009, \$49,902,000 of the education legacy trust account appropriation for fiscal year 2008, \$40,050,000 of the education legacy trust account appropriation for fiscal year 2009, and \$2,886,000 of the general fund—federal appropriation are

provided solely for student financial aid payments under the state need grant; the state work study program including a four percent administrative allowance; the Washington scholars program; and the Washington award for vocational excellence. All four programs shall increase grant awards sufficiently to offset the full cost of the resident undergraduate tuition increases authorized under this act.

(2) Within the funds appropriated in this section, eligibility for the state need grant shall be expanded to include students with family incomes at or below 70 percent of the state median family income, adjusted for family size. Awards for students with incomes between 66 percent and 70 percent of the state median shall be 50 percent of the award amount granted to those with incomes below 51 percent of the median.

(3) To the extent that the executive director determines that the agency will not award the full amount appropriated in subsection (1) of this section for a fiscal year, unexpended funds shall be transferred to the state education trust account established under RCW 28B.92.140 for purposes first of fulfilling the unfunded scholarship commitments that the board made under its federal GEAR UP Grant 1.

(4) \$7,400,000 of the education legacy trust account appropriation is provided solely for investment to fulfill the scholarship commitments that the state incurs in accordance with Second Substitute Senate Bill No. 5098 (the college bound scholarship). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(5) \$2,500,000 of the education legacy trust account—state appropriation is provided solely to expand the gaining early awareness and readiness for undergraduate programs project to at least 25 additional school districts.

(6) \$1,000,000 of the education legacy trust account—state appropriation is provided solely to encourage more students to teach secondary mathematics and science. \$500,000 of this amount is provided to increase the future teacher scholarship and conditional loan program by at least 35 students per year. \$500,000 of this amount is provided to support state work study positions for students to intern in secondary math and science classrooms.

(7) (~~(\$2,336,000)~~) \$736,000 of the education legacy trust account—state appropriation for fiscal year 2009 is provided solely for implementation of Engrossed Substitute House Bill No. 1131 (passport to college). Funds are provided for student scholarships, and for incentive payments to the colleges they attend for individualized student support services which may include, but are not limited to, college and career advising, counseling, tutoring, costs incurred for students while school is not in session, personal expenses, health insurance, and emergency services. If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(8) \$246,000 of the general fund—state appropriation for fiscal year 2008 and \$246,000 of the general fund—state appropriation for fiscal year 2009 are for community scholarship matching grants and its administration. To be eligible for the matching grant, nonprofit groups organized under section 501(c)(3) of the federal internal revenue code must demonstrate they have raised at least \$2,000 in new moneys for college scholarships after the effective date of this section. Groups may receive no more than one \$2,000 matching grant per year and preference shall be given to groups affiliated with scholarship America.

Up to a total of \$46,000 per year of the amount appropriated in this section may be awarded to a nonprofit community organization to administer scholarship matching grants, with preference given to an organization affiliated with scholarship America.

(9) \$75,000 of the general fund—state appropriation for fiscal year 2008 and \$75,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2008 and \$500,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for implementation of Engrossed Substitute House Bill No. 1179 (state need grant). State need grants provided to students enrolled in just three to five credit-bearing quarter credits, or the equivalent semester credits, shall not exceed the amounts appropriated in this subsection. By November 1 of each year, the board shall report to the office of financial management and to the operating budget committees of the house of representatives and senate on the number of eligible but unserved students enrolled in just three to five quarterly credits, or the semester equivalent, and the estimated cost of serving them. If the bill is not enacted by June 30, 2007, the amounts provided in this subsection shall lapse.

(11) \$5,000,000 of the education legacy trust account appropriation is provided solely to implement Engrossed Second Substitute House Bill No. 1779 (GET ready for math and science). If the bill is not enacted by June 30, 2007, the amount provided in this subsection shall lapse.

(12) \$1,250,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the health professional scholarship and loan program. The funds provided in this subsection (a) shall be prioritized for health care deliver sites demonstrating a commitment to serving the uninsured; and (b) shall be allocated between loan repayments and scholarships proportional to current program allocations.

Sec. 1505. 2009 c 4 s 613 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF EARLY LEARNING

General Fund—State Appropriation (FY 2008)	\$62,362,000
General Fund—State Appropriation (FY 2009)	\$69,120,000
General Fund—Federal Appropriation	(\$192,192,000))
	<u>\$200,692,000</u>
General Fund—Private/Local Appropriation	\$6,000
TOTAL APPROPRIATION	(\$323,680,000))
	<u>\$332,180,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$47,919,000 of the general fund—state appropriation for fiscal year 2008 and \$56,437,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for early childhood education and assistance program services.

(a) Of these amounts, \$10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(b) Within the amounts provided in this subsection (1), the department shall increase the number of children receiving early childhood education and assistance program services by 2,250 slots.

(c) Within the amounts provided in this subsection (1), the department shall increase the minimum provider per slot payment to \$6,500 in fiscal year 2008. Any provider receiving slot payments higher than \$6,500 shall receive a 2.0 percent vendor rate increase in fiscal year 2008. All providers shall receive a 2.0 percent vendor rate increase in fiscal year 2009.

(2) \$775,000 of the general fund—state appropriation for fiscal year 2008 and \$1,825,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to: (a) Develop a quality rating and improvement system; and (b) pilot the quality rating and improvement system in multiple locations. Four of the pilot sites are to be located within the following counties: Spokane, Kitsap, King, and Yakima. The department shall analyze and evaluate the pilot sites and report initial findings to the legislature by December 1, 2008. Prior to statewide implementation of the quality rating and improvement system, the department of early learning shall present the system to the legislature and the legislature shall formally approve the implementation of the system through the omnibus appropriations act or by statute or concurrent resolution.

(3) \$850,000 of the general fund—state appropriation for fiscal year 2008 and \$850,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for the department to contract for child care referral services.

(4) \$1,200,000 of the general fund—state appropriation for fiscal year 2008 and \$800,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers. This includes funding for the department to conduct a random sample survey of parents to determine the types of early learning services and materials parents are interested in receiving from the state. The department shall report the findings to the appropriate policy and fiscal committees of the legislature by October 1, 2008.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2008 and \$250,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a child care consultation pilot program linking child care providers with evidence-based and best practice resources regarding caring for infants and young children who present behavior concerns.

(6) \$500,000 of the general fund—state appropriation for fiscal year 2008 and (~~(\$500,000)~~) \$400,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to expand the child care career and wage ladder program created by chapter 507, Laws of 2005.

(7) \$172,000 of the general fund—state appropriation for fiscal year 2008 is provided solely for the department to purchase licensing capability from the department of social and health services through the statewide automated child welfare information system.

(8) \$1,100,000 of the general fund—state appropriation for fiscal year 2008 and (~~(\$1,100,000)~~) \$1,025,000 of the general fund—state appropriation for fiscal year 2009 are provided solely for a childcare grant program for public community colleges and public universities. A community college or university that employs collectively bargained staff to operate childcare programs may apply for up to \$25,000 per year from the department per each type of the

following programs: Head start, childcare, early childhood assistance and education. The funding shall only be provided for salaries for collectively bargained employees.

(9) Beginning October 1, 2007, the department shall be the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to partially fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(10) Prior to the development of an early learning information system, the department shall submit to the education and fiscal committees of the legislature a completed feasibility study and a proposal approved by the department of information systems and the information services board. The department shall ensure that any proposal for the early learning information system includes the cost for modifying the system as a result of licensing rule changes and implementation of the quality rating and improvement system.

(11) The department, in conjunction with the early learning advisory council, shall report by June 30, 2009, to the governor and the appropriate committees of the legislature regarding the following:

(a) Administration of the state training and registry system, including annual expenditures, participants, and average hours of training provided per participant; and

(b) An evaluation of the child care resource and referral network in providing information to parents and training and technical assistance to child care providers.

(12) The department shall use child care development fund money to satisfy the federal audit requirement of the improper payments act (IPIA) of 2002. In accordance with the IPIA's rules, the money spent on the audits will not count against the five percent state limit on administrative expenditures.

(13) \$150,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for the department of early learning to work with the office of the superintendent of public instruction, and collaborate with thrive by five Washington, to study and make recommendations regarding the implementation of a statewide kindergarten entry assessment. The department and the office of the superintendent of public instruction shall jointly submit a report with recommendations for implementing the kindergarten entry assessment to the governor and the appropriate committees of the legislature by December 15, 2008. In the study and development of the recommendations, the department shall:

(a) Consult with early learning experts, including research and educator associations, early learning and kindergarten teachers, and Washington Indian tribes;

(b) Identify a preferred kindergarten entry assessment based on research and examples of other assessments, and which is sensitive to cultural and socioeconomic differences influencing the development of young children;

(c) Recommend a plan for the use of the assessment in a pilot phase and a voluntary use phase, and recommend a time certain when school districts must offer the assessment;

(d) Recommend how to report the results of the assessment to parents, the office of the superintendent of public instruction, and the department of early learning in a common format, and for a methodology for conducting the assessments;

(e) Analyze how the assessment could be used to improve instruction for individual students entering kindergarten and identify whether and how the assessment results could be used to improve the early learning and K-12 systems, including the transition between the systems;

(f) Identify the costs of the assessment, including the time required to administer the assessment; and

(g) Recommend how to ensure that the assessment shall not be used to screen or otherwise preclude children from entering kindergarten if they are otherwise eligible.

(14) \$120,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for encouraging private match investment for innovative, existing local early learning coalitions to achieve one or more of the following:

(a) Increase communities' abilities to implement their business plans for comprehensive local and regional early learning systems;

(b) Involve parents in their children's education;

(c) Enhance coordination between the early childhood and K-12 system; or

(d) Improve training and support for raising the level of child care givers' professional skills to ensure that children are healthy and ready to succeed in school and life.

Sec. 1506. 2009 c 4 s 614 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2008)	\$5,969,000
General Fund—State Appropriation (FY 2009)	(\$6,069,000)
	<u>\$6,135,000</u>
General Fund—Private/Local Appropriation	\$1,561,000
TOTAL APPROPRIATION	(\$13,599,000)
	<u>\$13,665,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$10,000 of the general fund—state appropriation for fiscal year 2008 and \$40,000 of the general fund—state appropriation for fiscal year 2009 are provided solely to defend the state's interpretive position in the case of *Delyria & Koch v. Washington State School for the Blind*.

(2) \$5,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for increasing salaries for certificated instructional staff by an average of one-half of one percent effective July 1, 2008.

Sec. 1507. 2009 c 4 s 615 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE DEAF

General Fund—State Appropriation (FY 2008)	\$8,858,000
General Fund—State Appropriation (FY 2009)	(\$8,764,000)
	<u>\$8,792,000</u>

General Fund—Private/Local Appropriation	\$316,000
TOTAL APPROPRIATION	(\$17,938,000)
	<u>\$17,966,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) \$84,000 of the general fund—private/local appropriation for fiscal year 2009 is provided solely for the operation of the shared reading video outreach program. The school for the deaf shall provide this service to the extent it is funded by contracts with school districts and educational service districts.

(2) \$9,000 of the general fund—state appropriation for fiscal year 2009 is provided solely for increasing salaries for certificated instructional staff by an average of one-half of one percent effective July 1, 2008.

Sec. 1508. 2009 c 4 s 616 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2008)	\$2,548,000
General Fund—State Appropriation (FY 2009)	(\$2,454,000)
	<u>\$2,434,000</u>
General Fund—Federal Appropriation	(\$1,382,000)
	<u>\$1,518,000</u>
General Fund—Private/Local Appropriation	\$154,000
TOTAL APPROPRIATION	(\$6,538,000)
	<u>\$6,654,000</u>

**PART XVI
SPECIAL APPROPRIATIONS**

Sec. 1601. 2008 c 329 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2008)	\$823,274,000
General Fund—State Appropriation (FY 2009)	(\$696,324,000)
	<u>\$690,224,000</u>
State Building Construction Account—State Appropriation	\$11,970,000
Columbia River Basin Water Supply Development Account—State Appropriation	\$148,000
Hood Canal Aquatic Rehabilitation Bond Account—State Appropriation	\$23,000
State Taxable Building Construction Account—State Appropriation	\$513,000
Gardner-Evans Higher Education Construction Account—State Appropriation	\$1,902,000
Debt-Limit Reimbursable Bond Retire Account—State Appropriation	(\$2,589,000)
	<u>\$2,590,000</u>
TOTAL APPROPRIATION	(\$1,536,743,000)
	<u>\$1,530,644,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund—state appropriation for fiscal year 2008 shall be expended into the debt-limit general fund bond retirement account by June 30, 2008.

Sec. 1602. 2008 c 329 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account—State	
Appropriation	\$22,535,000
Accident Account—State Appropriation	(\$5,135,000)
	<u>\$5,136,000</u>
Medical Aid Account—State Appropriation	(\$5,135,000)
	<u>\$5,136,000</u>
TOTAL APPROPRIATION	(\$32,805,000)
	<u>\$32,807,000</u>

Sec. 1603. 2008 c 329 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2008)	\$26,848,000
General Fund—State Appropriation (FY 2009)	(\$27,728,000)
	<u>\$27,729,000</u>
<u>School Construction and Skills Centers Building</u>	
Account—State Appropriation	<u>\$50,000</u>
Nondebt-Limit Reimbursable Bond Retirement	
Account—State Appropriation	(\$135,967,000)
	<u>\$136,147,000</u>
TOTAL APPROPRIATION	(\$190,543,000)
	<u>\$190,774,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund—state appropriation for fiscal year 2008 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2008.

Sec. 1604. 2008 c 329 s 704 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2008)	\$750,000
General Fund—State Appropriation (FY 2009)	\$750,000
State Building Construction Account—State	
Appropriation	\$1,546,000

Columbia River Basin Water Supply Development

Account—State Appropriation	\$17,000
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Hood Canal Aquatic Rehabilitation Bond

Account—State Appropriation	\$3,000
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State Taxable Building Construction

Account—State Appropriation	\$122,000
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Gardner-Evans Higher Education Construction

Account—State Appropriation	\$452,000
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School Construction and Skills Centers Building

<u>Account—State Appropriation</u>	<u>\$9,000</u>
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TOTAL APPROPRIATION	((\$3,640,000))
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	<u>\$3,649,000</u>
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Sec. 1605. 2008 c 329 s 705 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY POOL

Disaster Response Account—State Appropriation	((\$8,500,000))
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	<u>\$9,500,000</u>
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The appropriation in this section is subject to the following conditions and limitations: The entire appropriation is for the purpose of making allocations to the Washington state patrol for any Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 and 43.43.964.

Sec. 1606. 2008 c 329 s 706 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—FIRE CONTINGENCY

General Fund—State Appropriation (FY 2008)	\$6,500,000
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General Fund—State Appropriation (FY 2009)	((\$2,000,000))
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	<u>\$3,000,000</u>
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TOTAL APPROPRIATION	((\$8,500,000))
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	<u>\$9,500,000</u>
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The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account for the purposes specified in section 705 of this act.

Sec. 1607. 2008 c 329 s 707 (uncodified) is amended to read as follows:

FOR SUNDRY CLAIMS. The following sums, or so much thereof as may be necessary, are appropriated from the general fund, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of financial management, except as otherwise provided, as follows:

(1) Reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110:

(a) George E. Linkenhoker, claim number SCJ 2008-01	\$24,628
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(b) Charles A. Gardner, claim number SCJ 2008-02	\$ 2,715
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(c) Judd Hurst, claim number SCJ 2008-03	\$ 2,000
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(d) Thomas J. Nelson, claim number SCJ 2008-04	\$ 5,000
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(e) William R. Sauters, Jr., claim number SCJ 2008-05	\$11,408
(f) Michael E. Greene, claim number SCJ 2008-06	\$ 1,500
(g) Jeffery A. Cobb, claim number SCJ 2008-08	\$ 7,600
(h) Robert R. Park, claim number SCJ 2008-09	\$26,385
(i) Donald Willett, claim number SCJ 2008-11	\$6,600
<u>(j) Antonio Perez, claim number SCJ 2009-01</u>	<u>\$7,179</u>
<u>(k) James D. Romans, claim number SCJ 2009-02</u>	<u>\$4,481</u>
<u>(l) Michael V. Shong, claim number SCJ 2009-03</u>	<u>\$15,118</u>
<u>(m) Gerald A. Tinkess, claim number SCJ 2009-04</u>	<u>\$68,865</u>
<u>(n) Linh D. Hguyen, claim number SCJ 2009-05</u>	<u>\$4,000</u>
<u>(o) Rafael R. Robinson, claim number SCJ 2009-06</u>	<u>\$7,200</u>
<u>(p) Anthony J. Magnesi, claim number SCJ 2009-07</u>	<u>\$74,888</u>
<u>(q) Jerry Startzell, claim number 99970000</u>	<u>\$12,975</u>
<u>(2) Payment from the state wildlife account for damage to crops by wildlife pursuant to RCW 77.36.050:</u>	

<u>(a) David Guenther, claim number 99970001</u>	<u>\$3,660</u>
<u>(b) Wilbur Eaton, claim number 99970002</u>	<u>\$3,069</u>
<u>(c) Eaton Brothers, claim number 99970003</u>	<u>\$2,809</u>
<u>(d) Travis Eaton, claim number 99970004</u>	<u>\$1,532</u>

Sec. 1608. 2007 c 522 s 712 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS. The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2007, consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund—State Appropriation (FY 2008)	\$46,200,000
General Fund—State Appropriation (FY 2009)	((\$50,400,000))
	<u>\$51,122,000</u>
TOTAL APPROPRIATION	((\$96,600,000))
	<u>\$97,322,000</u>

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2008)	\$9,600,000
General Fund—State Appropriation (FY 2009)	\$10,200,000
TOTAL APPROPRIATION	\$19,800,000

Sec. 1609. 2008 c 329 s 714 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH CARE AUTHORITY ADMINISTRATIVE ACCOUNT

General Fund—State Appropriation (FY 2008)	\$2,618,000
General Fund—State Appropriation (FY 2009)	\$1,993,000
Public Safety and Education Account—State Appropriation (FY 2008)	\$13,000

Public Safety and Education Account—State	
Appropriation (FY 2009).....	\$13,000
Water Quality Account—State Appropriation (FY 2008)	\$4,000
Water Quality Account—State Appropriation (FY 2009)	\$4,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2008).....	\$1,000
Violence Reduction and Drug Enforcement Account—State	
Appropriation (FY 2009).....	\$1,000
Health Services Account—State Appropriation (FY 2008)	\$7,000
Health Services Account—State Appropriation (FY 2009)	\$7,000
((Dedicated Funds and Accounts Appropriation	\$640,000))
TOTAL APPROPRIATION	(((\$5,301,000))
	<u>\$4,661,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) The appropriations are provided solely for expenditure into the health care authority administrative account.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the office of financial management shall transfer or direct the transfer of sufficient moneys from each dedicated fund or account, including local funds of state agencies and institutions of higher education, to the health care authority administrative account in accordance with LEAP document number C04-2008, dated March 10, 2008. Agencies and institutions of higher education with local funds will deposit sufficient money to the health care authority administrative account.

NEW SECTION. Sec. 1610. A new section is added to 2007 c 522 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—CAPITOL BUILDING CONSTRUCTION ACCOUNT

General Fund—State Appropriation (FY 2009)..... \$5,512,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the capitol building construction account.

NEW SECTION. Sec. 1611. A new section is added to 2007 c 522 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—HELP AMERICA VOTE ACT

General Fund—State Appropriation (FY 2009)..... \$228,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the election account.

NEW SECTION. Sec. 1612. A new section is added to 2007 c 522 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—CLARKE-MCNARY ACCOUNT

General Fund—State Appropriation (FY 2009)..... \$1,353,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the Clarke-McNary account.

NEW SECTION. Sec. 1613. A new section is added to 2007 c 522 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT—
EXTRAORDINARY CRIMINAL JUSTICE COSTS**

General Fund—State Appropriation (FY 2009) \$500,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute funds to Franklin county (\$87,000), Skagit county (\$13,000), Yakima county (\$15,000), Spokane county (\$99,000), and King county (\$286,000) for extraordinary criminal justice costs.

**NEW SECTION. Sec. 1614. FOR THE OFFICE OF FINANCIAL
MANAGEMENT—OIL SPILL PREVENTION ACCOUNT**

General Fund—State Appropriation (FY 2009) \$6,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the oil spill prevention account.

**PART XVII
OTHER TRANSFERS AND APPROPRIATIONS**

Sec. 1701. 2009 c 4 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER—STATE REVENUES FOR
DISTRIBUTION**

General Fund Appropriation for fire insurance
premium distributions ~~(\$7,654,000))~~
\$7,499,000

General Fund Appropriation for public utility
district excise tax distributions ~~(\$47,557,000))~~
\$46,459,000

General Fund Appropriation for prosecuting
attorney distributions. Of this amount,
\$903,000 is provided solely for the
implementation of Substitute Senate Bill No.
6297 (prosecuting attorney salaries).
If the bill is not enacted by June 30, 2008,
the amount provided shall lapse. ~~(\$4,902,000))~~
\$4,829,000

General Fund Appropriation for boating safety
and education distributions ~~(\$4,400,000))~~
\$4,491,000

General Fund Appropriation for other tax
distributions \$48,000

General Fund Appropriation for habitat conservation program distributions	((\$1,245,000))
	<u>\$2,296,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation. This amount is provided solely for implementation of Engrossed Substitute Senate Bill No. 6874 (Columbia River water delivery). If the bill is not enacted by June 30, 2008, this amount shall lapse.	\$3,775,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians. This amount is provided solely for implementation of Engrossed Substitute Senate Bill No. 6874 (Columbia River water delivery). If the bill is not enacted by June 30, 2008, this amount shall lapse.	\$2,250,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	((\$2,192,000))
	<u>\$2,352,000</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution	\$148,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	((\$77,753,000))
	<u>\$65,089,000</u>
County Criminal Justice Assistance Appropriation	((\$62,127,000))
	<u>\$62,778,000</u>
Municipal Criminal Justice Assistance Appropriation.	((\$24,636,000))
	<u>\$24,375,000</u>
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	((\$49,397,000))
	<u>\$55,244,000</u>
Liquor Revolving Account Appropriation for liquor profits distribution	((\$82,148,000))
	<u>\$69,817,000</u>
City-County Assistance Account Appropriation for local government financial assistance distribution; PROVIDED: That the legislature, in making this appropriation for distribution under the formula prescribed in RCW 43.08.290 for the 2007-09 biennium, ratifies and approves the prior distributions, as certified by the department of revenue to the state treasurer, made for the 2005-07 biennium from the appropriation in	

section 801, chapter 372, Laws of 2006 as amended
by section 1701, chapter 522, Laws of 2007((~~\$29,865,000~~))
\$20,985,000

Streamline Sales and Use Tax Account Appropriation
for distribution to local taxing jurisdictions
to mitigate the unintended revenue redistribution
effect of the sourcing law changes. \$22,980,000

TOTAL APPROPRIATION.....((~~\$423,077,000~~))
\$395,415,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1702. 2009 c 4 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS.

State Treasurer's Service Account: For
transfer to the state general fund,
\$10,000,000 for fiscal year 2008 and
\$31,000,000 for fiscal year
2009 \$41,000,000
Education Legacy Trust Account: For transfer to
the state general fund for fiscal year 2009..... \$67,000,000
Pension Funding Stabilization Account: For
transfer to the state general fund for
fiscal year 2009 \$10,000,000
Economic Development Strategic Reserve Account:
For transfer to the state general fund for
fiscal year 2009 \$4,000,000
State Convention and Trade Center Operations Account:
For transfer to the state general fund on June 30,
2009 \$5,000,000
State Convention and Trade Center Capital Account:
For transfer to the state general fund on
June 30, 2009 \$52,000,000
After the transfers in this section are made from
the state convention and trade center operations
and capital accounts, these accounts will
have sufficient funds for: (1) A ten million
dollar requirement for the retrofit of the museum
of history and industry; (2) the requirements of
RCW 67.40.040(5) and 67.40.040(6); and (3) a
sufficient capital reserve. After the transfer
is made, the capital reserve may be applicable for
payment of debt service or operating shortfalls.
Department of Retirement Systems Expense Account:
For transfer to the state general fund for
fiscal year 2009 \$11,200,000

General Fund: For transfer to the water quality account, \$12,200,000 for fiscal year 2008 and ((\$12,201,000)) <u>\$7,851,000</u> for fiscal year 2009	((\$24,401,000)) <u>\$20,051,000</u>
Education Legacy Trust Account: For transfer to the student achievement account for fiscal year 2009	\$90,800,000
Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account, an amount not to exceed	((\$25,000,000)) <u>\$24,000,000</u>
Public Works Assistance Account: For transfer to the drinking water assistance account, \$7,200,000 for fiscal year 2008 and \$3,600,000 for fiscal year 2009	\$10,800,000
Public Works Assistance Account: For transfer to the job development account, \$25,000,000 for fiscal year 2008 and \$25,000,000 for fiscal year 2009	\$50,000,000
<u>Local Toxics Control Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$75,000,000</u>
State Toxics Control Account: For transfer to the oil spill prevention account for fiscal year 2009	\$2,400,000
<u>State Toxics Control Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$2,000,000</u>
<u>Natural Resources Equipment Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$3,300,000</u>
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account	((\$168,111,000)) <u>\$181,585,000</u>
Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual amount of the strategic contribution supplemental payment to the tobacco settlement account	((\$70,000,000)) <u>\$65,220,000</u>
Health Services Account: For transfer to the water quality account, \$3,942,500 for fiscal year 2008 and \$3,942,500 for fiscal year 2009	\$7,885,000
Health Services Account: For transfer to the violence reduction and drug enforcement account, \$3,466,000 for fiscal year 2008 and \$3,466,000 for fiscal year 2009	\$6,932,000

Health Services Account: For transfer to the tobacco prevention and control account, \$10,523,000 for fiscal year 2008 and (((\$10,168,000)) <u>\$9,601,000</u> for fiscal year 2009	(((\$20,691,000)) <u>\$20,124,000</u>
General Fund: For transfer to the streamline sales and use tax account for fiscal year 2009	\$31,600,000
((General Fund: For transfer to the health services account for fiscal year 2009	\$53,000,000))
<u>Health Services Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$47,000,000</u>
Nisqually Earthquake Account: For transfer to the disaster response account for fiscal year 2008	\$3,000,000
Public Safety and Education Account: For transfer to the state general fund for fiscal year 2009	\$6,000,000
Reading Achievement Account: For transfer to the state general fund, an amount not to exceed the actual balance of the reading achievement account. This transfer is intended to liquidate the reading achievement account	\$1,691,000
Family Leave Insurance Account: For transfer to the state general fund, an amount not to exceed the actual balance of the family leave insurance account on the effective date of this section	\$4,458,000
Streamline Sales Tax Account: For transfer to the state general fund on June 30, 2009, an amount not to exceed the actual balance of the streamline sales tax account	\$8,620,000
Savings Incentive Account: For transfer to the state general fund for fiscal year 2009	\$9,204,000
Education Savings Account: For transfer to the state general fund for fiscal year 2009	\$51,088,000
<u>Pension Funding Stabilization Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$2,400,000</u>
<u>Budget Stabilization Account: For transfer to the state general fund for fiscal year 2009</u>	<u>\$400,000,000</u>
<u>Employment Training Finance Account: For transfer to the state general fund for fiscal year 2009. After the transfer in this section is made, the employment training finance account shall have a balance of \$175,000 to continue customized training program activities</u>	<u>\$3,000,000</u>
<u>College Faculty Awards Trust Fund: For transfer to the state general fund for fiscal year 2009, an amount not to exceed the actual balance of the college faculty awards trust fund. This transfer is intended to liquidate the college faculty awards trust fund</u>	<u>\$4,900,000</u>

Washington Distinguished Professorship Trust Account:

For transfer to the state general fund for fiscal year 2009, an amount not to exceed the actual balance of the Washington distinguished professorship trust account. This transfer is intended to liquidate the Washington distinguished professorship trust account. \$5,000,000

Washington Graduate Fellowship Trust Account: For

transfer to the state general fund for fiscal year 2009, an amount not to exceed the actual balance of the Washington graduate fellowship trust account. This transfer is intended to liquidate the Washington graduate fellowship trust account. \$1,400,000

Get Ready for Math and Science Scholarship Account: For

transfer to the state general fund for fiscal year 2009. \$1,900,000

Judicial Information System Account: For transfer

to the state general fund for fiscal year 2009. \$5,000,000

Student Achievement Fund: For transfer to the state

general fund for fiscal year 2009. \$218,000,000

Student Achievement Fund: For transfer to the

education legacy trust account. \$91,000,000

Sec. 1703. 2007 c 522 s 804 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal

grazing fees distribution ((~~\$2,950,000~~))
\$3,145,000

General Fund Appropriation for federal flood

control funds distribution. ((~~\$74,000~~))
\$69,000

Forest Reserve Fund Appropriation for federal

forest reserve fund distribution ((~~\$84,500,000~~))
\$85,201,000

TOTAL APPROPRIATION ((~~\$87,524,000~~))
\$88,415,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1704. 2007 c 522 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation ((~~\$2,174,000~~))
\$3,050,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium in accordance with RCW 82.14.310.

This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 1705. 2007 c 522 s 803 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Account Appropriation(~~(\$1,449,000)~~)
\$2,033,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2007-09 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**PART XVIII
MISCELLANEOUS**

NEW SECTION. **Sec. 1801.** A new section is added to 2007 c 522 (uncodified) to read as follows:

COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED.

Nothing in this act or chapter 5 (ESSB 5460), Laws of 2009 prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of chapter 5, Laws of 2009 (February 18, 2009).

Sec. 1802. RCW 2.68.020 and 2005 c 282 s 11 are each amended to read as follows:

There is created an account in the custody of the state treasurer to be known as the judicial information system account. The administrative office of the courts shall maintain and administer the account, in which shall be deposited all moneys received from in-state noncourt users and any out-of-state users of the judicial information system and moneys as specified in RCW 2.68.040 for the purposes of providing judicial information system access to noncourt users and

providing an adequate level of automated services to the judiciary. The legislature shall appropriate the funds in the account for the purposes of the judicial information system. The account shall be used for the acquisition of equipment, software, supplies, services, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies, and equipment, including the payment of principal and interest on items paid in installments. During the 2007-2009 fiscal biennium, the legislature may transfer from the judicial information system account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 1803. RCW 28B.50.837 and 2003 c 129 s 2 are each amended to read as follows:

(1) The Washington community and technical college exceptional faculty awards program is established. The program shall be administered by the college board. The college faculty awards trust fund hereby created shall be administered by the state treasurer.

(2) Funds appropriated by the legislature for the community and technical college exceptional faculty awards program shall be deposited in the college faculty awards trust fund. At the request of the college board, the treasurer shall release the state matching funds to the local endowment fund of the college or its foundation. No appropriation is necessary for the expenditure of moneys from the fund. Expenditures from the fund may be used solely for the exceptional faculty awards program. During the 2007-2009 fiscal biennium, the legislature may transfer from the college faculty awards trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 1804. RCW 28B.67.030 and 2006 c 112 s 8 are each amended to read as follows:

(1) All payments received from a participant in the Washington customized employment training program created in RCW 28B.67.020 shall be deposited into the employment training finance account, which is hereby created in the custody of the state treasurer. Only the state board for community and technical colleges may authorize expenditures from the account and no appropriation is required for expenditures. The money in the account must be used solely for training allowances under the Washington customized employment training program created in RCW 28B.67.020. The deposit of payments under this section from a participant shall cease when the board specifies that the participant has met the monetary obligations of the program. During the 2007-2009 fiscal biennium, the legislature may transfer from the employment training finance account to the state general fund such amounts as reflect the excess fund balance in the account.

(2) All revenue solicited and received under the provisions of RCW 28B.67.020(4) shall be deposited into the employment training finance account to provide training allowances.

(3) The definitions in RCW 28B.67.010 apply to this section.

(4) This section expires July 1, 2012.

Sec. 1805. RCW 28B.76.565 and 2004 c 275 s 20 are each amended to read as follows:

Funds appropriated by the legislature for the distinguished professorship program shall be deposited in the distinguished professorship trust fund. At the request of the higher education coordinating board under RCW 28B.76.575, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the 2007-2009 fiscal biennium, the legislature may transfer from the distinguished professorship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 1806. RCW 28B.76.610 and 2004 c 275 s 22 are each amended to read as follows:

Funds appropriated by the legislature for the graduate fellowship program shall be deposited in the graduate fellowship trust fund. At the request of the higher education coordinating board under RCW 28B.76.620, the treasurer shall release the state matching funds to the designated institution's local endowment fund. No appropriation is required for expenditures from the fund. During the 2007-2009 fiscal biennium, the legislature may transfer from the graduate fellowship trust fund to the state general fund such amounts as reflect the excess fund balance in the account.

Sec. 1807. RCW 28B.105.110 and 2008 c 329 s 908 are each amended to read as follows:

(1) The GET ready for math and science scholarship account is created in the custody of the state treasurer.

(2) The board shall deposit into the account all money received for the GET ready for math and science scholarship program from appropriations and private sources. The account shall be self-sustaining.

(3) Expenditures from the account shall be used for scholarships to eligible students and for purchases of GET units. Purchased GET units shall be owned and held in trust by the board. Expenditures from the account shall be an equal match of state appropriations and private funds raised by the program administrator. During the 2007-09 fiscal biennium, expenditures from the account not to exceed five percent may be used by the program administrator to carry out the provisions of RCW 28B.105.090.

(4) With the exception of the operating costs associated with the management of the account by the treasurer's office as authorized in chapter 43.79A RCW, the account shall be credited with all investment income earned by the account.

(5) Disbursements from the account are exempt from appropriations and the allotment provisions of chapter 43.88 RCW.

(6) Disbursements from the account shall be made only on the authorization of the board.

(7) During the 2007-2009 fiscal biennium, the legislature may transfer state appropriations to the GET ready for math and science scholarship account that have not been matched by private contributions to the state general fund.

Sec. 1808. RCW 41.45.230 and 2008 c 329 s 910 are each amended to read as follows:

The pension funding stabilization account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for payment of state government employer contributions for members of the public employees' retirement system, the teachers' retirement system, the school employees' retirement system, and the public safety employees' retirement system. During the 2007-09 fiscal biennium, expenditures from the account may also be used for payment of the retirement and annuity plans for higher education employees and for transfer into the general fund. The account may not be used to pay for any new benefit or for any benefit increase that takes effect after July 1, 2005. An increase that is provided in accordance with a formula that is in existence on July 1, 2005, is not considered a benefit increase for this purpose. Moneys in the account shall be for the exclusive use of the specified retirement systems and invested by the state investment board pursuant to RCW 43.33A.030 and 43.33A.170. For purposes of RCW 43.135.035, expenditures from the pension funding stabilization account shall not be considered a state program cost shift from the state general fund to another account. During the 2007-2009 fiscal biennium, the legislature may transfer from the pension funding stabilization account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 1809. RCW 43.30.305 and 2005 c 518 s 928 are each amended to read as follows:

A revolving fund in the custody of the state treasurer, to be known as the natural resources equipment fund, is hereby created to be expended by the department without appropriation solely for the purchase of equipment, machinery, and supplies for the use of the department and for the payment of the costs of repair and maintenance of such equipment, machinery, and supplies. During the ~~((2005-2007))~~ 2007-2009 fiscal biennium the legislature may transfer such amounts as represent the excess balance of the fund to the state general fund.

Sec. 1810. RCW 71.24.310 and 2006 c 333 s 107 are each amended to read as follows:

The legislature finds that administration of chapter 71.05 RCW and this chapter can be most efficiently and effectively implemented as part of the regional support network defined in RCW 71.24.025. For this reason, the legislature intends that the department and the regional support networks shall work together to implement chapter 71.05 RCW as follows:

(1) By June 1, 2006, regional support networks shall recommend to the department the number of state hospital beds that should be allocated for use by each regional support network. The statewide total allocation shall not exceed the number of state hospital beds offering long-term inpatient care, as defined in this chapter, for which funding is provided in the biennial appropriations act.

(2) If there is consensus among the regional support networks regarding the number of state hospital beds that should be allocated for use by each regional support network, the department shall contract with each regional support network accordingly.

(3) If there is not consensus among the regional support networks regarding the number of beds that should be allocated for use by each regional support network, the department shall establish by emergency rule the number of state hospital beds that are available for use by each regional support network. The emergency rule shall be effective September 1, 2006. The primary factor used in the allocation shall be the estimated number of ~~((acutely and chronically mentally ill))~~ adults with acute and chronic mental illness in each regional support network area, based upon population-adjusted incidence and utilization.

(4) The allocation formula shall be updated at least every three years to reflect demographic changes, and new evidence regarding the incidence of acute and chronic mental illness and the need for long-term inpatient care. In the updates, the statewide total allocation shall include (a) all state hospital beds offering long-term inpatient care for which funding is provided in the biennial appropriations act; plus (b) the estimated equivalent number of beds or comparable diversion services contracted in accordance with subsection (5) of this section.

(5) The department is encouraged to enter performance-based contracts with regional support networks to provide some or all of the regional support network's allocated long-term inpatient treatment capacity in the community, rather than in the state hospital. The performance contracts shall specify the number of patient days of care available for use by the regional support network in the state hospital.

(6) If a regional support network uses more state hospital patient days of care than it has been allocated under subsection (3) or (4) of this section, or than it has contracted to use under subsection (5) of this section, whichever is less, it shall reimburse the department for that care. The reimbursement rate per day shall be the hospital's total annual budget for long-term inpatient care, divided by the total patient days of care assumed in development of that budget.

(7) One-half of any reimbursements received pursuant to subsection (6) of this section shall be used to support the cost of operating the state hospital and during the 2007-2009 fiscal biennium, implementing new services that will enable a regional support network to reduce its utilization of the state hospital. The department shall distribute the remaining half of such reimbursements among regional support networks that have used less than their allocated or contracted patient days of care at that hospital, proportional to the number of patient days of care not used.

NEW SECTION. Sec. 1811. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1812. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

INDEX	PAGE #
ADMINISTRATIVE REDUCTIONS	3892
ADMINISTRATOR FOR THE COURTS	3748, 3928
ATTORNEY GENERAL	3755, 3933
BELATED CLAIMS	3880

BOARD FOR VOLUNTEER FIREFIGHTERS	3768
BOARD OF ACCOUNTANCY	3767, 3941
BOARD OF INDUSTRIAL INSURANCE APPEALS	3802, 3983
BOARD OF TAX APPEALS	3766
BOND EXPENSES	3892
CASELOAD FORECAST COUNCIL	3756
CENTRAL SERVICES	3891
CENTRAL WASHINGTON UNIVERSITY	4069
CENTRAL WASHINGTON UNIVERSITY	3867
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	3755
COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED	3894
COLUMBIA RIVER GORGE COMMISSION	3815
COLUMBIA RIVER GORGE COMMISSION	4005
COMMISSION ON AFRICAN-AMERICAN AFFAIRS	3764
COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS	3754
COMMISSION ON HISPANIC AFFAIRS	3764
COMMISSION ON JUDICIAL CONDUCT	3748
COMPENSATION	
INSURANCE BENEFITS	3893
REVISE PENSION CONTRIBUTION RATES	3894
CONSERVATION COMMISSION	3821
COURT OF APPEALS	3748, 3928
CRIMINAL JUSTICE TRAINING COMMISSION	3802, 3983
DEPARTMENT OF AGRICULTURE	3825
DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION	3770
DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT	3756
COUNTY PUBLIC HEALTH ASSISTANCE	3879
DEPARTMENT OF CORRECTIONS	3810, 3997, 3998
DEPARTMENT OF EARLY LEARNING	3874, 4075
DEPARTMENT OF ECOLOGY	3815
DEPARTMENT OF ECOLOGY	4005
DEPARTMENT OF FISH AND WILDLIFE	3821
DEPARTMENT OF FISH AND WILDLIFE	4014
DEPARTMENT OF GENERAL ADMINISTRATION	3766, 3940
DEPARTMENT OF HEALTH	3807, 3989
DEPARTMENT OF INFORMATION SERVICES	3766
DEPARTMENT OF LABOR AND INDUSTRIES	3803, 3985
DEPARTMENT OF LICENSING	3827
DEPARTMENT OF NATURAL RESOURCES	3823
DEPARTMENT OF NATURAL RESOURCES	4020
DEPARTMENT OF PERSONNEL	3763
DEPARTMENT OF RETIREMENT SYSTEMS	
CONTRIBUTIONS TO RETIREMENT SYSTEMS	3881
CONTRIBUTIONS TO RETIREMENT SYSTEMS	4082
DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS	3764
DEPARTMENT OF REVENUE	3765, 3938

DEPARTMENT OF SERVICES FOR THE BLIND	3813, 4002
DEPARTMENT OF SOCIAL AND HEALTH SERVICES	3771, 3944
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM	3800
AGING AND ADULT SERVICES PROGRAM	3787, 3963
ALCOHOL AND SUBSTANCE ABUSE PROGRAM	3793, 3970
CHILDREN AND FAMILY SERVICES PROGRAM	3772, 3945
DEVELOPMENTAL DISABILITIES PROGRAM	3783, 3958
ECONOMIC SERVICES PROGRAM	3791, 3967
JUVENILE REHABILITATION PROGRAM	3776, 3950
MEDICAL ASSISTANCE PROGRAM	3794, 3972
MENTAL HEALTH PROGRAM	3779, 3952
PAYMENTS TO OTHER AGENCIES PROGRAM	3801, 3980
SPECIAL COMMITMENT PROGRAM	3800, 3980
VOCATIONAL REHABILITATION PROGRAM	3800, 3980
DEPARTMENT OF VETERANS AFFAIRS	3806, 3989
EASTERN WASHINGTON STATE HISTORICAL SOCIETY	3877
EASTERN WASHINGTON UNIVERSITY	3867
ECONOMIC AND REVENUE FORECAST COUNCIL	3761
EMERGENCY FUND ALLOCATIONS	3891
EMPLOYMENT SECURITY DEPARTMENT	3814, 4003
ENVIRONMENTAL HEARINGS OFFICE	3821
EXPENDITURE AUTHORIZATIONS	3888
FIRST-TIME HOME BUYERS	3894
FORENSIC INVESTIGATION COUNCIL	3767
GOVERNOR'S OFFICE OF INDIAN AFFAIRS	3754
GROWTH MANAGEMENT HEARINGS BOARD	3770, 3943
HIGHER EDUCATION COORDINATING BOARD	
FINANCIAL AID AND GRANT PROGRAMS	4073
FINANCIAL AID AND GRANTS	3871
POLICY COORDINATION AND ADMIN	3870
HOME CARE QUALITY AUTHORITY	3807
HORSE RACING COMMISSION	3768
HOUSE OF REPRESENTATIVES	3744, 3927
HUMAN RIGHTS COMMISSION	3802, 3983
INCENTIVE SAVINGS	
FY 2010	3881
FY 2011	3882
INDETERMINATE SENTENCE REVIEW BOARD	3806
INFORMATION SYSTEMS PROJECTS	3888
INFORMATION TECHNOLOGY ENTERPRISE SERVICES	3890
INSURANCE COMMISSIONER	3767
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	3744
JOINT LEGISLATIVE SYSTEMS COMMITTEE	3747
K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR	
ADJUSTMENTS	3858
LAW LIBRARY	3747
LEGISLATIVE AGENCIES	3747

LEGISLATIVE EVALUATION AND ACCOUNTABILITY

PROGRAM COMMITTEE	3745
LIEUTENANT GOVERNOR	3753
LIQUOR CONTROL BOARD	3768, 3941
MILITARY DEPARTMENT	3768, 3942
MUNICIPAL RESEARCH COUNCIL	3766
NATURAL RESOURCES ORGANIZATIONS	3891
OFFICE OF ADMINISTRATIVE HEARINGS	3763, 3938
OFFICE OF CIVIL LEGAL AID	3750
OFFICE OF FINANCIAL MANAGEMENT	3761, 3935
CAPITOL BUILDING CONSTRUCTION ACCOUNT	3882, 4083
CLARKE-MCNARY ACCOUNT	4083
COMMUNITY PRESERVATION AND DEVELOPMENT	
AUTHORITY ACCOUNT	3883
CONTRIBUTIONS TO RETIREMENT SYSTEMS	3883
COUNTY SUBSTANCE ABUSE PROGRAMS	3882
DISASTER RESPONSE ACCOUNT	3879
EDUCATION TECHNOLOGY REVOLVING ACCOUNT	3881
EMERGENCY FUND	3879
EXTRAORDINARY CRIMINAL JUSTICE COSTS	4084
FIRE CONTINGENCY	3879
FIRE CONTINGENCY	4081
FIRE CONTINGENCY POOL	4081
HEALTH CARE AUTHORITY ADMINISTRATIVE	
ACCOUNT	4082
HELP AMERICA VOTE ACT	4083
O'BRIEN BUILDING IMPROVEMENT	3883
OIL SPILL PREVENTION ACCOUNT	4084
SMALL AGENCY TECHNOLOGY POOL	3882
TRANSITIONAL HOUSING OPERATING AND RENT	
ACCOUNT	3883
VETERANS INNOVATIONS PROGRAM ACCOUNT	3884
WATER POLLUTION CONTROL REVOLVING ACCOUNT	3881
OFFICE OF MINORITY AND WOMEN'S BUSINESS	
ENTERPRISES	3766
OFFICE OF PUBLIC DEFENSE	3750
OFFICE OF THE GOVERNOR	3751
OFFICE OF THE STATE ACTUARY	3746
PUBLIC BACCALAUREATE INSTITUTIONS	3861
PUBLIC DISCLOSURE COMMISSION	3753
PUBLIC EMPLOYMENT RELATIONS COMMISSION	3770
PUGET SOUND PARTNERSHIP	3826
PUGET SOUND PARTNERSHIP	4025
PUGET SOUND PROTECTION AND RESTORATION	3891
RECREATION AND CONSERVATION FUNDING BOARD	3820
REDISTRICTING COMMISSION	3747
SECRETARY OF STATE	3753, 3932
SENATE	3744
SENTENCING GUIDELINES COMMISSION	3813

SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE	3873
STATE AUDITOR	3754
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	3862, 3863
STATE CONVENTION AND TRADE CENTER	3771, 3944
STATE HEALTH CARE AUTHORITY	3801, 3980
STATE INVESTMENT BOARD	3765
STATE PARKS AND RECREATION COMMISSION	3819
STATE PARKS AND RECREATION COMMISSION	4012
STATE PATROL	4026
STATE PATROL	3828
STATE SCHOOL FOR THE BLIND	3875, 4078
STATE SCHOOL FOR THE DEAF	3876, 4078
STATE TREASURER	3754
BOND RETIREMENT AND INTEREST	3877, 3878, 4079, 4080
COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	3885, 4089
FEDERAL REVENUES FOR DISTRIBUTION	3885, 4089
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT	3885, 4090
STATE REVENUES FOR DISTRIBUTION	3884
STATE REVENUES FOR DISTRIBUTION	4084
TRANSFERS	3886, 4086
STATUTE LAW COMMITTEE	3747
STATUTORY APPROPRIATIONS	3891
SUNDRY CLAIMS	4081
SUPERINTENDENT OF PUBLIC INSTRUCTION ..	3829, 3858, 4027, 4064
BASIC EDUCATION EMPLOYEE COMPENSATION	3839
EDUCATION REFORM PROGRAMS	3849, 4050
FOR EDUCATIONAL SERVICE DISTRICTS	3847
FOR GENERAL APPORTIONMENT	3834
FOR INSTITUTIONAL EDUCATION PROGRAMS	3848
FOR LOCAL EFFORT ASSISTANCE	3848
FOR MISC PURPOSES UNDER SCHOOL IMPROVEMENT AND NO CHILD LEFT BEHIND ACTS	3849
FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS	3849
FOR PUPIL TRANSPORTATION	3843
FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS ..	3841
FOR SCHOOL FOOD SERVICE PROGRAMS	3843
FOR SPECIAL EDUCATION PROGRAMS	3844
FOR STUDENT ACHIEVEMENT PROGRAM	3857
FOR THE LEARNING ASSISTANCE PROGRAM	3855
FOR TRANSITIONAL BILINGUAL PROGRAMS	3855
GENERAL APPORTIONMENT	4036
INSTITUTIONAL EDUCATION PROGRAMS	4048
LEARNING ASSISTANCE PROGRAM	4062
LOCAL EFFORT ASSISTANCE	4048
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	4049

PUPIL TRANSPORTATION	4043
SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	4041
SPECIAL EDUCATION PROGRAMS	4044
STUDENT ACHIEVEMENT PROGRAM	4063
TRANSITIONAL BILINGUAL PROGRAMS	4050
SUPREME COURT	3747
THE EVERGREEN STATE COLLEGE	3867
UNIVERSITY OF WASHINGTON	4065
UNIVERSITY OF WASHINGTON	3865
UTILITIES AND TRANSPORTATION COMMISSION	3768
VIDEO TELECOMMUNICATIONS	3890
VOLUNTARY RETIREMENT, SEPARATION, AND DOWNSHIFTING INCENTIVES	3892
WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM	3826
WASHINGTON STATE ARTS COMMISSION	3876
WASHINGTON STATE ARTS COMMISSION	4079
WASHINGTON STATE HISTORICAL SOCIETY	3876
WASHINGTON STATE LOTTERY	3763
WASHINGTON STATE UNIVERSITY	3866
WESTERN WASHINGTON UNIVERSITY	3869
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD	3873

Passed by the House April 24, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I am returning, without my approval as to Sections 103(6); 105(3); 105(5); 117(2); 117(4); 117(5); 124(3); 126(5); 128(7); 128(11); 128(15); 128(17); 128(24); 137(4); 148(5); 152, page 39, lines 20-26; 153, page 39, lines 34-36 and page 40, lines 1-4; 204(4)(a); 205(1)(h); 205(1)(q); 207(4); 209(10); 209(11); 209(14); 209(15); 209(33); 218(12); 218(13); 218(14); 222(3); 222(20); 223(2)(b); 223(2)(f); 302 page 104, lines 18 and 19; 302(11); 302(18); 303(2); 303(4); 307(5); 309(4); 309(5); 401, page 120, lines 7, 17 and 18; 401(3); 402(3); 614(1); 616(8); 805, page 205, lines 29-31; 805, page 206, lines 33-35; 936; 948; 955; 1104(1); 1104(2); and 1105(1) of Engrossed Substitute House Bill 1244 entitled:

"AN ACT Relating to fiscal matters."

I have vetoed the following appropriation items because of concerns with policy or technical issues relating to the legislative provisions:

Section 105(3), page 6, Office of the State Actuary, University of Washington Medical Center and Harborview Medical Center Financial Reporting

Funding is provided from the Department of Retirement Systems Expense Account for the Office of the State Actuary to assist the University of Washington Medical Center and Harborview Medical Center with the financial reporting of their postretirement benefits liabilities. Because the University of Washington will reimburse the State Actuary for its assistance, no appropriation is needed for this purpose. For this reason, I have vetoed Section 105(3).

Section 105(5), page 6, Office of the State Actuary, Health Benefits Study

The Legislature provided \$735,000 for the State Actuary to conduct an actuarial study comparing the cost of providing health benefits to employees of the Washington state retirement systems and the

cost paid by employees and employers for those benefits. The study cannot be completed with the funding provided, nor is it an authorized use of the Health Care Authority Administrative Account. For these reasons, I have vetoed Section 105(5).

I recognize that this approach was intended to reflect the intentions of Second Substitute Senate Bill 5491, which did not pass. This measure would have required the Health Care Authority to develop a strategy to reduce the cost of providing health benefits for K-12 employees. This is an appropriate goal and I will work with the Legislature and the Office of the Superintendent of Public Instruction on this goal.

Section 117(2), (4) and (5), pages 13-15, Office of the Governor, Coal-Fired Energy Plants

These provisos require convening of a joint legislative and executive task force on coal-fired energy plants to evaluate alternatives for how existing plants can meet the greenhouse gas emissions performance standards mandated by Engrossed Second Substitute Senate Bill 5735. While I support the goal of reducing greenhouse gas emissions and am committed to working toward that end with the owners of the state's remaining coal-fired plant, this measure did not pass and I have therefore vetoed Section 117(2),(4) and (5).

Section 124(3), page 18, State Auditor, Performance Audit Reporting

The State Auditor is required to report to the Legislature on state expenditure savings achieved from the implementation of performance audits, with legislative intent to reduce the scheduled transfer from the Performance Audits of Government Account to the General Fund when actual savings are demonstrated. Because the Auditor's Office cannot require agencies to implement performance audit recommendations, the appropriation should not be based on savings the Auditor cannot direct. Therefore, I have vetoed Section 124(3).

Section 126(5), pages 19-20, Attorney General, Human Trafficking Violations

Funding is provided for the Attorney General's Office to implement Section 4 of Engrossed Second Substitute Senate Bill 5850. On May 14, 2009, I vetoed Section 4 of this measure, thus eliminating the need for the Attorney General's Office to engage in this effort. For this reason, I have vetoed Section 126(5).

Section 128(7), page 23, Department of Community, Trade and Economic Development, Associate Development Organizations

This proviso requires associate development organizations receiving funding from the Department of Community, Trade and Economic Development to coordinate workforce and economic development activities with community and technical colleges, and to identify clusters of related industries. While I am supportive of these coordination efforts, the proviso is in conflict with Substitute House Bill 1323, which assigns responsibility for identification and alignment of industry clusters to the Workforce Training and Education Coordinating Board and local Workforce Development Councils. For this reason, I have vetoed Section 128(7).

Section 128(15), pages 24-25, Department of Community, Trade and Economic Development, County Life-Cycle Cost Analysis

This proviso requires counties receiving certain state affordable housing funds to include life-cycle cost analysis as a criterion in housing award decisions and to submit annual reports to the state on distribution of funds. Two bills with similar provisions did not pass the Legislature during the 2009 Session. While I encourage analytical tools like life-cycle cost analysis, I do not believe the budget bill is an appropriate vehicle for these policy provisions. For this reason, I have vetoed Section 128(15).

Section 128(17), page 25, Department of Community, Trade and Economic Development, Economic Development Commission Study

This proviso requires the Economic Development Commission to conduct a review of state infrastructure programs and deliver a report on policy and funding options to the Legislature and the Governor. No funding was provided to the Economic Development Commission for this work. Additionally, I would expect that such a review would occur within the Department of Community, Trade and Economic Development's work to develop recommendations for its core mission and programs as the Department of Commerce. For these reasons, I have vetoed Section 128(17).

Section 148(5), page 37, Liquor Control Board, Increasing Appropriations

This proviso would increase funding to the Liquor Control Board in the event that Senate Bill 6065 was not passed by the Legislature. That bill did not pass. I remain committed to reorganizing the

agency so that it is administered by a single director, with a voluntary board providing policy oversight. Therefore, I do not believe it is appropriate to increase its funding at this time. For this reason, I have vetoed Section 148(5).

Section 204(4)(a), pages 57-58, Department of Social and Health Services, Report on Competency Evaluations

The Department of Social and Health Services is required to report on the waiting periods experienced for competency evaluations and competency restoration treatment. No funding was provided for these activities. For this reason, I have vetoed Section 204(4)(a).

Section 205(1)(h), page 61, Department of Social and Health Services, New Freedom Waiver Program

This proviso allows the Department of Social and Health Services to expand the New Freedom Waiver Program. However, the program is administered in the Long Term Care Program, and identical language is included in that program's section of the budget. For this reason, I have vetoed Section 205(1)(h).

Section 205(1)(q), page 63, Department of Social and Health Services, Developmental Disabilities Employment and Day Services

The Department of Social and Health Services is directed to establish a minimum number of service hours for employment and day services offered as part of a Medicaid waiver program. This requirement creates a potential conflict with federal requirements that a client's individual assessed need is the only determinant for the number of authorized service hours. For this reason, I have vetoed Section 205(1)(q).

Section 207(4), page 72, Department of Social and Health Services, Refugee and Immigrant Assistance Reorganization Report

This proviso requires the Department of Social and Health Services to provide detailed reports on outcomes of reorganizing the Office of Refugee and Immigrant Assistance. No funding was provided for these reports. For this reason, I have vetoed Section 207(4). The Department will keep the Legislature fully apprised of the progress of the reorganization.

Section 209(10), page 77, Department of Social and Health Services, Funds for Podiatry Services

This proviso declares that sufficient funds exist within Medical Assistance appropriations for the delivery of podiatry services as a part of the state's medical program. While there currently are sufficient funds, we need to allow the Department of Social and Health Services the widest range of fiscal flexibility to administer its programs should revenues continue to decline. For this reason, I have vetoed Section 209(10).

Section 209(11), page 77, Department of Social and Health Services, Funds for Adult Dental Services

This proviso declares that sufficient funds exist within Medical Assistance appropriations for the delivery of adult dental services as a part of the state's medical program. While there currently are sufficient funds, we need to allow the Department of Social and Health Services the widest range of fiscal flexibility to administer its programs should revenues continue to decline. For this reason, I have vetoed Section 209(11).

Section 209(14), page 77, Department of Social and Health Services, Funds for Family Planning Nurses

This proviso declares that sufficient funds exist within Medical Assistance appropriations for the staffing of family planning nurses in the state's community service offices as a part of the state's medical program. While there currently are sufficient funds, we need to allow the Department of Social and Health Services the widest range of fiscal flexibility to administer its programs should revenues continue to decline. For this reason, I have vetoed Section 209(14).

Section 209(15), page 77, Department of Social and Health Services, Analysis of Home Dialysis

The Department of Social and Health Services is directed to conduct an analysis of potential savings that may be generated by using home-based kidney dialysis. The state already provides this service when appropriate. Additionally, no funding was provided for this analysis. For these reasons, I have vetoed Section 209(15).

Section 209(33), page 81, Department of Social and Health Services, Graduate Medical Education payments

This proviso requires the Department of Social and Health Services to direct payments for the federal Graduate Medical Education Program (GME) to graduate programs that focus on primary care training. While I commend the effort to increase the level of primary care training, the method proposed by the proviso is not feasible. The University of Washington Medical Center and Harborview Medical Center are the only two participating GME programs. GME program payments are included as a part of their reimbursement for inpatient hospital services provided to state clients. There is no way for the Department to direct the payments exclusively to primary care training. For this reason, I have vetoed Section 209(33).

Section 222(3), page 94, Department of Health, Pesticide Incident Report and Review Panel

The Department of Health is required to continue the operations of the Pesticide Incident Report and Review Panel. The budget includes a 50 percent reduction in funding for this activity and for human pesticide exposure and poisoning programs. It is inappropriate to prioritize the activity of the panel over other activities and programs administered by the Department. For this reason, I have vetoed Section 222(3).

Section 222(20), page 96, Department of Health, Health Care Workforce Survey

This proviso declares that sufficient funds are provided for the continuation of the Health Care Workforce survey. Like all state agencies, the Department of Health is being asked to make significant service reductions. We need to allow the agency the widest range of fiscal flexibility to administer its programs should revenues continue to decline. For this reason, I have vetoed Section 222(20).

Section 223(2)(b), page 97, Department of Corrections, Pet Partnership Program at Women's Corrections Center

While this program has demonstrated benefits, the agency should have flexibility to prioritize its expenditures to accommodate the significant reductions reflected in this budget. For this reason, I have vetoed Section 223(2)(b).

Section 223(2)(f), page 98, Department of Corrections, Correction Savings Bills

This statement on bills that generated budget savings includes two bills that did not pass, Engrossed Senate Bill 6183 (Illegal Immigrant Offenders) and Substitute Senate Bill 6160 (Criminal Justice Sentencing). Therefore, I have vetoed Section 223(2)(f).

Section 302, page 104, lines 18-19, Department of Ecology, Emissions Reduction Assistance Account Appropriation

This section includes an appropriation from the Emissions Reduction Assistance Account, a new account created in Engrossed Second Substitute Senate Bill 5735 (Reducing Greenhouse Gas Emissions), a bill that did not pass. For this reason, I have vetoed this appropriation.

Section 303(4), page 110, State Parks and Recreation Commission, Actively Pursue Transfers of State Parks

This proviso would require the State Parks and Recreation Commission to actively pursue transferring ownership of state parks to local governments, tribes, or other entities. It also would require biennial updates of this effort to the Office of Financial Management and the appropriate fiscal committees of the Legislature. The Commission is already pursuing the transfer of certain state parks that are inconsistent with its long-range strategic Centennial plan. For this reason, I have vetoed section 303(4). However, I encourage the Commission to pursue the transfer of parks to other operators when it is appropriate and mutually beneficial and to provide updates to OFM and the appropriate fiscal committees of the Legislature no later than September 1, 2009.

Section 309(4), page 118, Department of Agriculture, Milk Price Stabilization Work Group and Report

This proviso requires the Department of Agriculture, within existing funds, to convene a meeting of dairy industry members to consider methods to stabilize milk prices, and to report findings to the Legislature. No funding was provided for these activities. For this reason, I have vetoed Section 309(4). I encourage the Department to work with the dairy industry to develop strategies to pursue with our congressional delegation.

Section 401, page 120, lines 7, 17 and 18, Cemetery Account and Funeral Directors and Embalmers Account

Funds from the Cemetery Account and the Funeral Directors and Embalmers Account are appropriated to the Department of Licensing. These accounts were repealed on April 15, 2009, when I signed Engrossed Substitute House Bill 2126, the Cemetery and Funeral Directors Boards bill. For this reason, I have vetoed Section 401, lines 7, 17, and 18.

Section 402(3), page 122, Washington State Patrol, King Air Cost Recovery

The State Patrol will continue to charge other agencies for the use of its planes, but State Patrol security responsibilities have historically been funded in the agency's aviation budget. For this reason, I have vetoed Section 402(3).

Section 614(1), pages 186-187, Workforce Training and Education Coordinating Board

This proviso attempts to direct the Governor's discretionary Workforce Investment Act (WIA) funds to the Workforce Training and Education Coordinating Board to begin work on the Opportunity Internship Program. While I am committed to the success of this new effort, the Board does not control the federal WIA funds, and it is inappropriate to direct the Governor's flexible pool in this manner. I will work with the Board to find a solution that will enable this important work to begin, but have vetoed Section 614(1).

Section 805, page 205, lines 29-31, Transfers from the State Convention and Trade Center Account to the State General Fund

This appropriation implements the transfer from the State Convention and Trade Center Account to the State General Fund authorized in Section 948. Since I have vetoed that authorization, I have also vetoed Section 805, lines 29-31.

Section 805, page 206, lines 33-35, Transfer from the Performance Audits of Government Account to the State General Fund

Although the Performance Audits of Government Account has accumulated a surplus fund balance during initiation of the State Auditor's program, a transfer of \$29.24 million would significantly detract from the state's ability to conduct performance audits in the future. However, because all of state government must make reductions in these tough economic times, the Auditor has committed to a \$15 million transfer that can be accomplished in the next legislative session. For these reasons, I have vetoed Section 805, lines 33-35.

Section 936, pages 231-232, Savings Incentive Program Report

This section amends RCW 43.79.460 and Section 902, Chapter 4, Laws of 2009, delaying the requirement for the annual Savings Incentive Report until December 2010. Engrossed Substitute House Bill 2327 amends the same statute, but eliminates the report permanently, causing conflicting language. To eliminate conflicting amendments, I have vetoed Section 936.

Section 948, pages 246-248, State Convention and Trade Center Account

Section 948 amends RCW 67.40.040 and Section 917, Chapter 329, Laws of 2008 and Section 6011, Chapter 328, Laws of 2008, defining eligible uses of funds in the State Convention and Trade Center Account, and suspends for the 2009-11 Biennium the retention requirement and transfers to tourism accounts. With the 2010 Olympics being held in Vancouver, British Columbia, we have a unique opportunity to attract tourists to the state of Washington in the next fiscal year. Tourism spending in Washington directly supports nearly 150,000 jobs for our residents — jobs that are vital to our economic recovery. In addition, while I believe the Fiscal Year 2009 transfer can be accomplished, it may be called into question because of the language in this proviso. This would adversely affect the 2009 supplemental budget. A clean transfer of funds can be accomplished in the 2010 supplemental budget. For these reasons, I have vetoed Section 948.

Section 955, pages 258-259, Department of Fish and Wildlife, Eastern Washington Pheasant Enhancement Account

This section requires that no less than 80 percent of the funds from the Eastern Washington Pheasant Enhancement Account are to be used to purchase or produce pheasants. Substitute House Bill 1778 which I signed on May 5, 2009, removes the 80 percent requirement, which allows the Department more flexibility for habitat development and other long-term actions to improve pheasant production. For this reason, I have vetoed Section 955.

Section 1104(1), page 302, lines 14-15, Department of Social and Health Services, Mental Health ServicesSection 1104(2), page 306, lines 22-23, Department of Social and Health Services, Mental Health ServicesSection 1105(1), page 310, lines 3-4, Department of Social and Health Services, Developmental Disabilities Community Services

These reductions to Fiscal Year 2009 appropriation are vetoed in order to retain a total of \$32.276 million to ensure that the Department of Social and Health Services has sufficient resources to cover caseload and related costs in Medical Assistance. For this reason, I have vetoed Section 1104(1), lines 14-15; Section 1104(2), lines 22-23; and Section 1105(1), lines 3 and 4.

A number of appropriations in Engrossed Substitute House Bill 1244 are contingent upon separate legislation, with legislative direction that the appropriations will lapse if the bills are not enacted. The following vetoes relate to bills that did not pass:

Section 103(6), page 4, Joint Legislative Audit and Review Committee, Engrossed Substitute House Bill 2338, (Growth Management Hearings Board)Section 128(11), pages 23-24, Department of Community, Trade and Economic Development, Engrossed Substitute Senate Bill 5840, (Energy Independence)Section 128(24), page 26, Department of Community, Trade and Economic Development, Second Substitute House Bill 1797, (Rural and Resource Lands Study)Section 137(4), page 33, Department of Revenue, Substitute House Bill 1597, (Tax Administration)Section 152, page 39, lines 20-26, Public Employment Relations Commission, Substitute House Bill 1329, (Child Care Center Collective Bargaining)Section 153, page 39, lines 34-36, page 40, lines 1-4, Department of Archaeology and Historic Preservation, Second Substitute House Bill 1090, (Human Remains)Section 218(12), page 90, Department of Labor and Industries, Engrossed Second Substitute Senate Bill 5895, (Residential Real Property)Section 218(13), page 90, Department of Labor and Industries, Engrossed Substitute Senate Bill 6035, (Retrospective Rating Plans)Section 218(14), page 90, Department of Labor and Industries, Engrossed Second Substitute House Bill 1393, (Residential Construction)Section 302(11), page 106, Department of Ecology, Engrossed Second Substitute Senate Bill 5735, (Reducing Greenhouse Gas Emissions)Section 302(18), page 107, Department of Ecology, Substitute Senate Bill 5282, (Bisphenol A Use)Section 303(2), page 109, State Parks and Recreation Commission, Substitute House Bill 2109, (State Parks and Recreation Funding)Section 307(5), page 113, Department of Fish and Wildlife, Substitute House Bill 1972, (Outdoor Recreation Information)Section 309(5), page 118, Department of Agriculture, Substitute Senate Bill 5005, (Naturally Raised Beef Cattle)Section 401(3), page 120, Department of Licensing, Engrossed Substitute Senate Bill 5529, (Architects)Section 616(8), page 189, Department of Early Learning, Substitute House Bill 1329, (Child Care Center Collective Bargaining).

For these reasons, I have vetoed Sections 103(6); 105(3); 105(5); 117(2); 117(4); 117(5); 124(3); 126(5); 128(7); 128(11); 128(15); 128(17); 128(24); 137(4); 148(5); 152, page 39, lines 20-26; 153, page 39, lines 34-36 and page 40, lines 1-4; 204(4)(a); 205(1)(h); 205(1)(q); 207(4); 209(10); 209(11); 209(14); 209(15); 209(33); 218(12); 218(13); 218(14); 222(3); 222(20); 223(2)(b); 223(2)(f); 302 page 104, lines 18 and 19; 302(11); 302(18); 303(2); 303(4); 307(5); 309(4); 309(5);

401, page 120, lines 7, 17 and 18; 401(3); 402(3); 614(1); 616(8); 805, page 205, lines 29-31; 805, page 206, lines 33-35; 936; 948; 955; 1104(1); 1104(2); and 1105(1) of Engrossed Substitute House Bill 1244.

With the exception of Sections 103(6); 105(3); 105(5); 117(2); 117(4); 117(5); 124(3); 126(5); 128(7); 128(11); 128(15); 128(17); 128(24); 137(4); 148(5); 152, page 39, lines 20-26; 153, page 39, lines 34-36 and page 40, lines 1-4; 204(4)(a); 205(1)(h); 205(1)(q); 207(4); 209(10); 209(11); 209(14); 209(15); 209(33); 218(12); 218(13); 218(14); 222(3); 222(20); 223(2)(b); 223(2)(f); 302 page 104, lines 18 and 19; 302(11); 302(18); 303(2); 303(4); 307(5); 309(4); 309(5); 401, page 120, lines 7, 17 and 18; 401(3); 402(3); 614(1); 616(8); 805, page 205, lines 29-31; 805, page 206, lines 33-35; 936; 948; 955; 1104(1); 1104(2); and 1105(1), Engrossed Substitute House Bill 1244 is approved."

CHAPTER 565

[Engrossed House Bill 2242]

DEPARTMENT OF COMMERCE—CREATION

AN ACT Relating to creating a department of commerce; amending RCW 43.330.007, 43.330.010, 43.330.020, 43.330.092, 43.330.094, 43.330.125, 43.330.135, 43.330.167, 43.330.170, 43.330.210, 43.330.240, 43.330.250, 43.330.280, 43.330.290, 43.330.300, 43.330.900, 19.260.020, 19.280.020, 19.285.030, 35.105.010, 36.70A.030, 39.86.110, 43.17.010, 43.17.020, 43.21F.025, 43.31.455, 43.31.522, 43.31.800, 43.31C.010, 43.105.020, 43.155.020, 43.157.010, 43.168.020, 43.185.020, 43.185A.010, 43.185B.010, 43.185C.010, 43.325.010, 43.336.010, 43.338.010, 43.360.010, 43.362.010, 43.365.010, 59.21.010, 59.22.020, 70.103.020, 70.125.030, 70.164.020, 70.190.010, 80.36.005, 80.80.010, and 82.73.010; reenacting and amending RCW 42.17.2401 and 43.160.020; adding a new section to chapter 43.330 RCW; creating a new section; decodifying RCW 43.330.005 and 43.330.904; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.330.007 and 1993 c 280 s 2 are each amended to read as follows:

The purpose of this chapter is to establish the broad outline of the structure of the department of ~~((community, trade, and economic development))~~ commerce, leaving specific details of its internal organization and management to those charged with its administration. This chapter identifies the broad functions and responsibilities of the ~~((new))~~ department and is intended to provide flexibility to the director to reorganize these functions and to make recommendations for changes ~~((through the implementation plan required in section 8, chapter 280, Laws of 1993))~~.

Sec. 2. RCW 43.330.010 and 2007 c 322 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Associate development organization" means a local economic development nonprofit corporation that is broadly representative of community interests.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(4) "Financial institution" means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business in this state under state or federal law.

(5) "Microenterprise development organization" means a community development corporation, a nonprofit development organization, a nonprofit social services organization or other locally operated nonprofit entity that provides services to low-income entrepreneurs.

(6) "Statewide microenterprise association" means a nonprofit entity with microenterprise development organizations as members that serves as an intermediary between the department of ~~((community, trade, and economic development))~~ commerce and local microenterprise development organizations.

Sec. 3. RCW 43.330.020 and 1993 c 280 s 4 are each amended to read as follows:

A department of ~~((community, trade, and economic development))~~ commerce is created. The department shall be vested with all powers and duties established or transferred to it under this chapter and such other powers and duties as may be authorized by law. Unless otherwise specifically provided ~~((in chapter 280, Laws of 1993))~~, the existing responsibilities and functions of the agency programs will continue to be administered in accordance with their implementing legislation.

NEW SECTION. Sec. 4. A new section is added to chapter 43.330 RCW to read as follows:

(1) The director shall, in collaboration with the office of the governor, the office of financial management, the Washington economic development commission, the chairs and ranking minority members of the community and economic development and trade committee of the house of representatives and the economic development, trade and innovation committee of the senate, and the chairs and ranking members, or their designees, of the ways and means committees of the house of representatives and the senate and the house of representatives capital budget committee, develop a report with analysis and recommendations on statutory changes that would ensure that the department's efforts are efficient, effective, and:

(a) Are organized around a concise core mission and aligned with the state's comprehensive plan for economic development;

(b) Are capable of providing focused and flexible responses to changing economic conditions;

(c) Generate greater local capacity to respond to local opportunities and needs;

(d) Face no administrative barriers to leveraging state resources or procuring private and federal resources;

(e) Maximize results through partnerships and the use of intermediaries; and

(f) Provide transparency and increased accountability to the public, the governor, and the legislature.

(2) The report shall include recommendations for creating or consolidating programs deemed important to meeting the department's core mission and recommendations for terminating or transferring specific programs if they are not consistent with the department's core mission.

(3) In developing the recommendations, the director shall solicit the input of businesses, employees, economic development practitioners, local governments, planning professionals, community and housing organizations, and other key economic and community development stakeholders.

(4) The recommendations must be delivered to the governor and the appropriate legislative committees by November 1, 2009.

Sec. 5. RCW 43.330.092 and 2005 c 136 s 15 are each amended to read as follows:

The film and video promotion account is created in the state treasury. All revenue received for film and video promotion purposes under RCW 43.330.090(~~((4))~~) (2)(b) and all receipts from RCW 36.102.060(14) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used by the department of (~~community, trade, and economic development~~) commerce only for the purposes of promotion of the film and video production industry in the state of Washington.

Sec. 6. RCW 43.330.094 and 2007 c 228 s 202 are each amended to read as follows:

The tourism development and promotion account is created in the state treasury. All receipts from RCW 36.102.060(10) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used by the department of (~~community, trade, and economic development~~) commerce only for the purposes of expanding and promoting the tourism industry in the state of Washington.

Sec. 7. RCW 43.330.125 and 1995 c 347 s 430 are each amended to read as follows:

The department of (~~community, trade, and economic development~~) commerce shall provide training and technical assistance to counties and cities to assist them in fulfilling the requirements of chapter 36.70B RCW.

Sec. 8. RCW 43.330.135 and 1995 c 13 s 1 are each amended to read as follows:

(1) The department of (~~community, trade, and economic development~~) commerce shall distribute such funds as are appropriated for the statewide technical support, development, and enhancement of court-appointed special advocate programs.

(2) In order to receive money under subsection (1) of this section, an organization providing statewide technical support, development, and enhancement of court-appointed special advocate programs must meet all of the following requirements:

(a) The organization must provide statewide support, development, and enhancement of court-appointed special advocate programs that offer guardian ad litem services as provided in RCW 26.12.175, 26.44.053, and 13.34.100;

(b) All guardians ad litem working under court-appointed special advocate programs supported, developed, or enhanced by the organization must be volunteers and may not receive payment for services rendered pursuant to the program. The organization may include paid positions that are exclusively administrative in nature, in keeping with the scope and purpose of this section; and

(c) The organization providing statewide technical support, development, and enhancement of court-appointed special advocate programs must be a public benefit nonprofit corporation as defined in RCW 24.03.490.

(3) If more than one organization is eligible to receive money under this section, the department shall develop criteria for allocation of appropriated money among the eligible organizations.

Sec. 9. RCW 43.330.167 and 2004 c 276 s 718 are each amended to read as follows:

(1)(a) There is created in the custody of the state treasurer an account to be known as the homeless families services fund. Revenues to the fund consist of a one-time appropriation by the legislature, private contributions, and all other sources deposited in the fund.

(b) Expenditures from the fund may only be used for the purposes of the program established in this section, including administrative expenses. Only the director of the department of ~~((community, trade, and economic development))~~ commerce, or the director's designee, may authorize expenditures.

(c) Expenditures from the fund are exempt from appropriations and the allotment provisions of chapter 43.88 RCW. However, money used for program administration by the department is subject to the allotment and budgetary controls of chapter 43.88 RCW, and an appropriation is required for these expenditures.

(2) The department may expend moneys from the fund to provide state matching funds for housing-based supportive services for homeless families over a period of at least ten years.

(3) Activities eligible for funding through the fund include, but are not limited to, the following:

- (a) Case management;
- (b) Counseling;
- (c) Referrals to employment support and job training services and direct employment support and job training services;
- (d) Domestic violence services and programs;
- (e) Mental health treatment, services, and programs;
- (f) Substance abuse treatment, services, and programs;
- (g) Parenting skills education and training;
- (h) Transportation assistance;
- (i) Child care; and
- (j) Other supportive services identified by the department to be an important link for housing stability.

(4) Organizations that may receive funds from the fund include local housing authorities, nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian tribes in the state, and regional or statewide nonprofit housing assistance organizations.

Sec. 10. RCW 43.330.170 and 2002 c 294 s 4 are each amended to read as follows:

The office of community development of the department of ~~((community, trade, and economic development))~~ commerce is directed to conduct a statewide housing market analysis by region. The purpose of the analysis is to identify areas of greatest need for the appropriate investment of state affordable housing funds, using vacancy data and other appropriate measures of need for low-income housing. The analysis shall include the number and types of projects that counties have developed using the funds collected under chapter 294, Laws

of 2002. The analysis shall be completed by September 2003, and updated every two years thereafter.

Sec. 11. RCW 43.330.210 and 2000 c 120 s 5 are each amended to read as follows:

The developmental disabilities endowment governing board is established to design and administer the developmental disabilities endowment. To the extent funds are appropriated for this purpose, the director of the department of ~~((community, trade, and economic development))~~ commerce shall provide staff and administrative support to the governing board.

(1) The governing board shall consist of seven members as follows:

(a) Three of the members, who shall be appointed by the governor, shall be persons who have demonstrated expertise and leadership in areas such as finance, actuarial science, management, business, or public policy.

(b) Three members of the board, who shall be appointed by the governor, shall be persons who have demonstrated expertise and leadership in areas such as business, developmental disabilities service design, management, or public policy, and shall be family members of persons with developmental disabilities.

(c) The seventh member of the board, who shall serve as chair of the board, shall be appointed by the remaining six members of the board.

(2) Members of the board shall serve terms of four years and may be appointed for successive terms of four years at the discretion of the appointing authority. However, the governor may stagger the terms of the initial six members of the board so that approximately one-fourth of the members' terms expire each year.

(3) Members of the board shall be compensated for their service under RCW 43.03.240 and shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(4) The board shall meet periodically as specified by the call of the chair, or a majority of the board.

(5) Members of the governing board and the state investment board shall not be considered an insurer of the funds or assets of the endowment trust fund or the individual trust accounts. Neither of these two boards or their members shall be liable for the action or ~~((inactions-[inaction]))~~ inaction of the other.

(6) Members of the governing board and the state investment board are not liable to the state, to the fund, or to any other person as a result of their activities as members, whether ministerial or discretionary, except for willful dishonesty or intentional violations of law. The department and the state investment board, respectively, may purchase liability insurance for members.

Sec. 12. RCW 43.330.240 and 2000 c 120 s 9 are each amended to read as follows:

The department of ~~((community, trade, and economic development))~~ commerce shall adopt rules for the implementation of policies established by the governing board in RCW 43.330.200 through 43.330.230. Such rules will be consistent with those statutes and chapter 34.05 RCW.

Sec. 13. RCW 43.330.250 and 2008 c 329 s 914 are each amended to read as follows:

(1) The economic development strategic reserve account is created in the state treasury to be used only for the purposes of this section.

(2) Only the governor, with the recommendation of the director of the department of (~~((community, trade, and economic development))~~) commerce and the economic development commission, may authorize expenditures from the account.

(3) Expenditures from the account shall be made in an amount sufficient to fund a minimum of one staff position for the economic development commission and to cover any other operational costs of the commission.

(4) During the 2007-2009 fiscal biennium, moneys in the account may also be transferred into the state general fund.

(5) Expenditures from the account may be made to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state. Expenditures may be authorized for:

(a) Workforce development;

(b) Public infrastructure needed to support or sustain the operations of the business or facility; and

(c) Other lawfully provided assistance, including, but not limited to, technical assistance, environmental analysis, relocation assistance, and planning assistance. Funding may be provided for such assistance only when it is in the public interest and may only be provided under a contractual arrangement ensuring that the state will receive appropriate consideration, such as an assurance of job creation or retention.

(6) The funds shall not be expended from the account unless:

(a) The circumstances are such that time does not permit the director of the department of (~~((community, trade, and economic development))~~) commerce or the business or facility to secure funding from other state sources;

(b) The business or facility produces or will produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(c) The business or facility does not require continuing state support;

(d) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state;

(e) The expenditure will not supplant private investment; and

(f) The expenditure is accompanied by private investment.

(7) No more than three million dollars per year may be expended from the account for the purpose of assisting an individual business or facility pursuant to the authority specified in this section.

(8) If the account balance in the strategic reserve account exceeds fifteen million dollars at any time, the amount in excess of fifteen million dollars shall be transferred to the education construction account.

Sec. 14. RCW 43.330.280 and 2007 c 227 s 2 are each amended to read as follows:

(1) The Washington state economic development commission shall, with the advice of an innovation partnership advisory group selected by the commission, have oversight responsibility for the implementation of the state's efforts to further innovation partnerships throughout the state. The commission shall:

(a) Provide information and advice to the department of (~~((community, trade, and economic development))~~) commerce to assist in the implementation of the

innovation partnership zone program, including criteria to be used in the selection of grant applicants for funding;

(b) Document clusters of companies throughout the state that have comparative competitive advantage or the potential for comparative competitive advantage, using the process and criteria for identifying strategic clusters developed by the working group specified in subsection (2) of this section;

(c) Conduct an innovation opportunity analysis to identify (i) the strongest current intellectual assets and research teams in the state focused on emerging technologies and their commercialization, and (ii) faculty and researchers that could increase their focus on commercialization of technology if provided the appropriate technical assistance and resources;

(d) Based on its findings and analysis, and in conjunction with the higher education coordinating board and research institutions:

(i) Develop a plan to build on existing, and develop new, intellectual assets and innovation research teams in the state in research areas where there is a high potential to commercialize technologies. The commission shall present the plan to the governor and legislature by December 31, 2007. The higher education coordinating board shall be responsible for implementing the plan in conjunction with the publicly funded research institutions in the state. The plan shall address the following elements and such other elements as the commission deems important:

(A) Specific mechanisms to support, enhance, or develop innovation research teams and strengthen their research and commercialization capacity in areas identified as useful to strategic clusters and innovative firms in the state;

(B) Identification of the funding necessary for laboratory infrastructure needed to house innovation research teams;

(C) Specification of the most promising research areas meriting enhanced resources and recruitment of significant entrepreneurial researchers to join or lead innovation research teams;

(D) The most productive approaches to take in the recruitment, in the identified promising research areas, of a minimum of ten significant entrepreneurial researchers over the next ten years to join or lead innovation research teams;

(E) Steps to take in solicitation of private sector support for the recruitment of entrepreneurial researchers and the commercialization activity of innovation research teams; and

(F) Mechanisms for ensuring the location of innovation research teams in innovation partnership zones;

(ii) Provide direction for the development of comprehensive entrepreneurial assistance programs at research institutions. The programs may involve multidisciplinary students, faculty, entrepreneurial researchers, entrepreneurs, and investors in building business models and evolving business plans around innovative ideas. The programs may provide technical assistance and the support of an entrepreneur-in-residence to innovation research teams and offer entrepreneurial training to faculty, researchers, undergraduates, and graduate students. Curriculum leading to a certificate in entrepreneurship may also be offered;

(e) Develop performance measures to be used in evaluating the performance of innovation research teams, the implementation of the plan and programs

under (d)(i) and (ii) of this subsection, and the performance of innovation partnership zone grant recipients, including but not limited to private investment measures, business initiation measures, job creation measures, and measures of innovation such as licensing of ideas in research institutions, patents, or other recognized measures of innovation. The performance measures developed shall be consistent with the economic development commission's comprehensive plan for economic development and its standards and metrics for program evaluation. The commission shall report to the legislature and the governor by December 31, 2008, on the measures developed; and

(f) Using the performance measures developed, perform a biennial assessment and report, the first of which shall be due December 31, 2012, on:

(i) Commercialization of technologies developed at state universities, found at other research institutions in the state, and facilitated with public assistance at existing companies;

(ii) Outcomes of the funding of innovation research teams and recruitment of significant entrepreneurial researchers;

(iii) Comparison with other states of Washington's outcomes from the innovation research teams and efforts to recruit significant entrepreneurial researchers; and

(iv) Outcomes of the grants for innovation partnership zones.

The report shall include recommendations for modifications of chapter 227, Laws of 2007 and of state commercialization efforts that would enhance the state's economic competitiveness.

(2) The economic development commission and the workforce training and education coordinating board shall jointly convene a working group to:

(a) Specify the process and criteria for identification of substate geographic concentrations of firms or employment in an industry and the industry's customers, suppliers, supporting businesses, and institutions, which process will include the use of labor market information from the employment security department and local labor markets; and

(b) Establish criteria for identifying strategic clusters which are important to economic prosperity in the state, considering cluster size, growth rate, and wage levels among other factors.

Sec. 15. RCW 43.330.290 and 2007 c 322 s 3 are each amended to read as follows:

The microenterprise development program is established in the department of ~~((community, trade, and economic development))~~ commerce. In implementing the program, the department:

(1) Shall provide organizational support to a statewide microenterprise association and shall contract with the association for the delivery of services and distribution of grants;

(a) The association shall serve as the department's agent in carrying out the purpose and service delivery requirements of this section;

(b) The association's contract with the department shall specify that in administering the funds provided for under subsection (3) of this section, the association may use no greater than ten percent of the funds to cover administrative expenses;

(2) Shall provide funds for capacity building for the statewide microenterprise association and microenterprise development organizations throughout the state;

(3) Shall provide grants to microenterprise development organizations for the delivery of training and technical assistance services;

(4) Shall identify and facilitate the availability of state, federal, and private sources of funds which may enhance microenterprise development in the state;

(5) Shall develop with the statewide microenterprise association criteria for the distribution of grants to microenterprise development organizations. Such criteria may include:

(a) The geographic representation of all regions of the state, including both urban and rural communities;

(b) The ability of the microenterprise development organization to provide business development services in low-income communities;

(c) The scope of services offered by a microenterprise development organization and their efficiency in delivery of such services;

(d) The ability of the microenterprise development organization to monitor the progress of its customers and identify technical and financial assistance needs;

(e) The ability of the microenterprise development organization to work with other organizations, public entities, and financial institutions to meet the technical and financial assistance needs of its customers;

(f) The sufficiency of operating funds for the microenterprise development organization; and

(g) Such other criteria as agreed by the department and the association;

(6) Shall require the statewide microenterprise association and any microenterprise development organization receiving funds through the microenterprise development program to raise and contribute to the effort funded by the microenterprise development program an amount equal to twenty-five percent of the microenterprise development program funds received. Such matching funds may come from private foundations, federal or local sources, financial institutions, or any other source other than funds appropriated from the legislature;

(7) Shall require under its contract with the statewide microenterprise association an annual accounting of program outcomes, including job creation, access to capital, leveraging of nonstate funds, and other outcome measures specified by the department. By January 1, 2012, the joint legislative audit and review committee shall use these outcome data and other relevant information to evaluate the program's effectiveness; and

(8) May adopt rules as necessary to implement this section.

Sec. 16. RCW 43.330.300 and 2008 c 290 s 1 are each amended to read as follows:

(1) The financial fraud and identity theft crimes investigation and prosecution program is created in the department of ~~((community, trade, and economic development))~~ commerce. The department shall:

(a) Appoint members of the financial fraud task forces created in subsection (2) of this section;

(b) Administer the account created in subsection (3) of this section; and

(c) By December 31st of each year submit a report to the appropriate committees of the legislature and the governor regarding the progress of the program and task forces. The report must include recommendations on changes to the program, including expansion.

(2)(a) The department shall establish two regional financial fraud and identity theft crime task forces that include a central Puget Sound task force that includes King and Pierce counties, and a Spokane county task force. Each task force must be comprised of local law enforcement, county prosecutors, representatives of the office of the attorney general, financial institutions, and other state and local law enforcement.

(b) The department shall appoint: (i) Representatives of local law enforcement from a list provided by the Washington association of sheriffs and police chiefs; (ii) representatives of county prosecutors from a list provided by the Washington association of prosecuting attorneys; and (iii) representatives of financial institutions.

(c) Each task force shall:

(i) Hold regular meetings to discuss emerging trends and threats of local financial fraud and identity theft crimes;

(ii) Set priorities for the activities for the task force;

(iii) Apply to the department for funding to (A) hire prosecutors and/or law enforcement personnel dedicated to investigating and prosecuting financial fraud and identity theft crimes; and (B) acquire other needed resources to conduct the work of the task force;

(iv) Establish outcome-based performance measures; and

(v) Twice annually report to the department regarding the activities and performance of the task force.

(3) The financial fraud and identity theft crimes investigation and prosecution account is created in the state treasury. Moneys in the account may be spent only after appropriation. Revenue to the account may include appropriations, revenues generated by the surcharge imposed in RCW 62A.9A-525, federal funds, and any other gifts or grants. Expenditures from the account may be used only to support the activities of the financial fraud and identity theft crime investigation and prosecution task forces and the program administrative expenses of the department, which may not exceed ten percent of the amount appropriated.

(4) For purposes of this section, "financial fraud and identity theft crimes" includes those that involve: Check fraud, chronic unlawful issuance of bank checks, embezzlement, credit/debit card fraud, identity theft, forgery, counterfeit instruments such as checks or documents, organized counterfeit check rings, and organized identification theft rings.

Sec. 17. RCW 43.330.900 and 1993 c 280 s 79 are each amended to read as follows:

~~((4))~~ All references to the director or department of community, trade, and economic development in the Revised Code of Washington shall be construed to mean the director of ~~((community, trade, and economic development))~~ commerce or the department of ~~((community, trade, and economic development))~~ commerce.

~~((2))~~ All references to the director or department of trade and economic development in the Revised Code of Washington shall be construed to mean the

~~director of community, trade, and economic development or the department of community, trade, and economic development.))~~

Sec. 18. RCW 19.260.020 and 2006 c 194 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Automatic commercial ice cube machine" means a factory-made assembly, not necessarily shipped in one package, consisting of a condensing unit and ice-making section operating as an integrated unit with means for making and harvesting ice cubes. It may also include integrated components for storing or dispensing ice, or both.

(2) "Ballast" means a device used with an electric discharge lamp to obtain necessary circuit conditions, such as voltage, current, and waveform, for starting and operating the lamp.

(3) "Commercial clothes washer" means a soft mount horizontal or vertical-axis clothes washer that: (a) Has a clothes container compartment no greater than 3.5 cubic feet in the case of a horizontal-axis product or no greater than 4.0 cubic feet in the case of a vertical-axis product; and (b) is designed for use by more than one household, such as in multifamily housing, apartments, or coin laundries.

(4) "Commercial prerinse spray valve" means a handheld device designed and marketed for use with commercial dishwashing and warewashing equipment and that sprays water on dishes, flatware, and other food service items for the purpose of removing food residue prior to their cleaning.

(5)(a) "Commercial refrigerators and freezers" means refrigerators, freezers, or refrigerator-freezers designed for use by commercial or institutional facilities for the purpose of storing or merchandising food products, beverages, or ice at specified temperatures that: (i) Incorporate most components involved in the vapor-compression cycle and the refrigerated compartment in a single cabinet; and (ii) may be configured with either solid or transparent doors as a reach-in cabinet, pass-through cabinet, roll-in cabinet, or roll-through cabinet.

(b) "Commercial refrigerators and freezers" does not include: (i) Products with 85 cubic feet or more of internal volume; (ii) walk-in refrigerators or freezers; (iii) consumer products that are federally regulated pursuant to 42 U.S.C. Sec. 6291 et seq.; (iv) products without doors; or (v) freezers specifically designed for ice cream.

(6) "Compensation" means money or any other valuable thing, regardless of form, received or to be received by a person for services rendered.

(7) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(8) "High-intensity discharge lamp" means a lamp in which light is produced by the passage of an electric current through a vapor or gas, and in which the light-producing arc is stabilized by bulb wall temperature and the arc tube has a bulb wall loading in excess of three watts per square centimeter.

(9) "Metal halide lamp" means a high-intensity discharge lamp in which the major portion of the light is produced by radiation of metal halides and their products of dissociation, possibly in combination with metallic vapors.

(10) "Metal halide lamp fixture" means a light fixture designed to be operated with a metal halide lamp and a ballast for a metal halide lamp.

(11) "Pass-through cabinet" means a commercial refrigerator or freezer with hinged or sliding doors on both the front and rear of the unit.

(12) "Probe-start metal halide ballast" means a ballast used to operate metal halide lamps which does not contain an igniter and which instead starts lamps by using a third starting electrode "probe" in the arc tube.

(13) "Reach-in cabinet" means a commercial refrigerator or freezer with hinged or sliding doors or lids, but does not include roll-in or roll-through cabinets or pass-through cabinets.

(14)(a) "Roll-in cabinet" means a commercial refrigerator or freezer with hinged or sliding doors that allow wheeled racks of product to be rolled into the unit.

(b) "Roll-through cabinet" means a commercial refrigerator or freezer with hinged or sliding doors on two sides of the cabinet that allow wheeled racks of product to be rolled through the unit.

(15)(a) "Single-voltage external AC to DC power supply" means a device that: (i) Is designed to convert line voltage alternating current input into lower voltage direct current output; (ii) is able to convert to only one DC output voltage at a time; (iii) is sold with, or intended to be used with, a separate end-use product that constitutes the primary power load; (iv) is contained within a separate physical enclosure from the end-use product; (v) is connected to the end-use product via a removable or hard-wired male/female electrical connection, cable, cord, or other wiring; and (vi) has a nameplate output power less than or equal to 250 watts.

(b) "Single-voltage external AC to DC power supply" does not include: (i) Products with batteries or battery packs that physically attach directly to the power supply unit; (ii) products with a battery chemistry or type selector switch and indicator light; or (iii) products with a battery chemistry or type selector switch and a state of charge meter.

(16) "State-regulated incandescent reflector lamp" means a lamp that is not colored or designed for rough or vibration service applications, that has an inner reflective coating on the outer bulb to direct the light, an E26 medium screw base, and a rated voltage or voltage range that lies at least partially within 115 to 130 volts, and that falls into one of the following categories:

(a) A bulged reflector or elliptical reflector bulb shape and which has a diameter which equals or exceeds 2.25 inches;

(b) A reflector, parabolic aluminized reflector, or similar bulb shape and which has a diameter of 2.25 to 2.75 inches.

(17) "Transformer" means a device consisting of two or more coils of insulated wire and that is designed to transfer alternating current by electromagnetic induction from one coil to another to change the original voltage or current value.

(18)(a) "Unit heater" means a self-contained, vented fan-type commercial space heater that uses natural gas or propane, and that is designed to be installed without ducts within a heated space.

(b) "Unit heater" does not include any products covered by federal standards established pursuant to 42 U.S.C. Sec. 6291 et seq. or any product that is a direct vent, forced flue heater with a sealed combustion burner.

Sec. 19. RCW 19.280.020 and 2006 c 195 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Commission" means the utilities and transportation commission.

(2) "Conservation and efficiency resources" means any reduction in electric power consumption that results from increases in the efficiency of energy use, production, transmission, or distribution.

(3) "Consumer-owned utility" includes a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, a mutual corporation or association formed under chapter 24.06 RCW, a port district formed under Title 53 RCW, or a water-sewer district formed under Title 57 RCW, that is engaged in the business of distributing electricity to one or more retail electric customers in the state.

(4) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(5) "Electric utility" means a consumer-owned or investor-owned utility.

(6) "Full requirements customer" means an electric utility that relies on the Bonneville power administration for all power needed to supply its total load requirement other than that served by nondispatchable generating resources totaling no more than six megawatts or renewable resources.

(7) "Governing body" means the elected board of directors, city council, commissioners, or board of any consumer-owned utility.

(8) "High efficiency cogeneration" means the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output.

(9) "Integrated resource plan" means an analysis describing the mix of generating resources and conservation and efficiency resources that will meet current and projected needs at the lowest reasonable cost to the utility and its ratepayers and that complies with the requirements specified in RCW 19.280.030(1).

(10) "Investor-owned utility" means a corporation owned by investors that meets the definition in RCW 80.04.010 and is engaged in distributing electricity to more than one retail electric customer in the state.

(11) "Lowest reasonable cost" means the lowest cost mix of generating resources and conservation and efficiency resources determined through a detailed and consistent analysis of a wide range of commercially available resources. At a minimum, this analysis must consider resource cost, market-volatility risks, demand-side resource uncertainties, resource dispatchability, resource effect on system operation, the risks imposed on the utility and its ratepayers, public policies regarding resource preference adopted by Washington state or the federal government, and the cost of risks associated with environmental effects including emissions of carbon dioxide.

(12) "Plan" means either an "integrated resource plan" or a "resource plan."

(13) "Renewable resources" means electricity generation facilities fueled by: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) biomass energy utilizing animal waste, solid organic fuels from wood, forest,

or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (g) byproducts of pulping or wood manufacturing processes, including but not limited to bark, wood chips, sawdust, and lignin in spent pulping liquors; (h) ocean thermal, wave, or tidal power; or (i) gas from sewage treatment facilities.

(14) "Resource plan" means an assessment that estimates electricity loads and resources over a defined period of time and complies with the requirements in RCW 19.280.030(2).

Sec. 20. RCW 19.285.030 and 2007 c 1 s 3 (Initiative Measure No. 937) are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Attorney general" means the Washington state office of the attorney general.

(2) "Auditor" means: (a) The Washington state auditor's office or its designee for qualifying utilities under its jurisdiction that are not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state auditor and is not an investor-owned utility.

(3) "Commission" means the Washington state utilities and transportation commission.

(4) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.

(5) "Cost-effective" has the same meaning as defined in RCW 80.52.030.

(6) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.

(7) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.

(8) "Department" means the department of ~~((community, trade, and economic development))~~ commerce or its successor.

(9) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.

(10) "Eligible renewable resource" means:

(a) Electricity from a generation facility powered by a renewable resource other than fresh water that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services; or

(b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest or to hydroelectric generation in irrigation pipes and canals located in the Pacific Northwest, where the additional generation in either case does not result in new water diversions or impoundments.

(11) "Investor-owned utility" has the same meaning as defined in RCW 19.29A.010.

(12) "Load" means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.

(13) "Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.

(14) "Pacific Northwest" has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).

(15) "Public facility" has the same meaning as defined in RCW 39.35C.010.

(16) "Qualifying utility" means an electric utility, as the term "electric utility" is defined in RCW 19.29A.010, that serves more than twenty-five thousand customers in the state of Washington. The number of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.

(17) "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by fresh water, the certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.

(18) "Renewable resource" means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135 that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; and (i) biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include (i) wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; (ii) black liquor byproduct from paper production; (iii) wood from old growth forests; or (iv) municipal solid waste.

(19) "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.

(20) "Year" means the twelve-month period commencing January 1st and ending December 31st.

Sec. 21. RCW 35.105.010 and 2008 c 299 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Community and urban forest assessment" means an analysis of the community and urban forest inventory to: Establish the scope and scale of forest-related benefits and services; determine the economic valuation of such benefits, highlight trends, and issues of concern; identify high priority areas to

be addressed; outline strategies for addressing the critical issues and urban landscapes; and identify opportunities for retaining trees, expanding forest canopy, and planting additional trees to sustain Washington's urban and community forests.

(2) "Community and urban forest inventory" means a management tool designed to gauge the condition, management status, health, and diversity of a community and urban forest. An inventory may evaluate individual trees or groups of trees or canopy cover within community and urban forests, and will be periodically updated by the department of natural resources.

(3) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(4) "Evergreen community ordinances" means ordinances adopted by the legislative body of a city, town, or county that relate to urban forests and are consistent with this chapter.

(5) "Evergreen community" means a city, town, or county designated as such under RCW 35.105.030.

(6) "Management plan" means an evergreen community urban forest management plan developed pursuant to this chapter.

(7) "Public facilities" has the same meaning as defined in RCW 36.70A.030.

(8) "Public forest" means urban forests owned by the state, city, town, county, or other public entity within or adjacent to the urban growth areas.

(9) "Reforestation" means establishing and maintaining trees and urban forest canopy in plantable spaces such as street rights-of-way, transportation corridors, interchanges and highways, riparian areas, unstable slopes, shorelines, public lands, and property of willing private landowners.

(10) "Tree canopy" means the layer of leaves, branches, and stems of trees that cover the ground when viewed from above and that can be measured as a percentage of a land area shaded by trees.

(11) "Urban forest" has the same definition as provided for the term "community and urban forest" in RCW 76.15.010.

Sec. 22. RCW 36.70A.030 and 2005 c 423 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(3) "City" means any city or town, including a code city.

(4) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(5) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable

water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas.

(6) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(7) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(8) "Forest land" means land primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forest land is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forest land to other uses.

(9) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(10) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(11) "Minerals" include gravel, sand, and valuable metallic substances.

(12) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(13) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

(14) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

(15) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

(16) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

(17) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

(18) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

(19) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

(20) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(21) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support,

and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

Sec. 23. RCW 39.86.110 and 1995 c 399 s 57 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Agency" means the department of ~~((community, trade, and economic development))~~ commerce.

(2) "Board" means the community economic revitalization board established under chapter 43.160 RCW.

(3) "Bonds" means bonds, notes, or other obligations of an issuer.

(4) "Bond use category" means any of the following categories of bonds which are subject to the state ceiling: (a) Housing, (b) student loans, (c) small issue, (d) exempt facility, (e) redevelopment, (f) public utility; and (g) remainder.

(5) "Carryforward" is an allocation or reallocation of the state ceiling which is carried from one calendar year to a later year, in accordance with the code.

(6) "Code" means the federal internal revenue code of 1986 as it exists on May 8, 1987. It also means the code as amended after May 8, 1987, but only if the amendments are approved by the agency under RCW 39.86.180.

(7) "Director" means the director of the agency or the director's designee.

(8) "Exempt facility" means the bond use category which includes all bonds which are exempt facility bonds as described in the code, except those for qualified residential rental projects.

(9) "Firm and convincing evidence" means documentation that satisfies the director that the issuer is committed to the prompt financing of, and will issue tax exempt bonds for, the project or program for which it requests an allocation from the state ceiling.

(10) "Housing" means the bond use category which includes: (a) Mortgage revenue bonds and mortgage credit certificates as described in the code; and (b) exempt facility bonds for qualified residential rental projects as described in the code.

(11) "Initial allocation" means the portion or dollar value of the state ceiling which initially in each calendar year is allocated to a bond use category for the issuance of private activity bonds, in accordance with RCW 39.86.120.

(12) "Issuer" means the state, any agency or instrumentality of the state, any political subdivision, or any other entity authorized to issue private activity bonds under state law.

(13) "Private activity bonds" means obligations that are private activity bonds as defined in the code or bonds for purposes described in section 1317(25) of the tax reform act of 1986.

(14) "Program" means the activities for which housing bonds or student loan bonds may be issued.

(15) "Public utility" means the bond use category which includes those bonds described in section 1317(25) of the tax reform act of 1986.

(16) "Redevelopment" means the bond use category which includes qualified redevelopment bonds as described in the code.

(17) "Remainder" means that portion of the state ceiling remaining after initial allocations are made under RCW 39.86.120 for any other bond use category.

(18) "Small issue" means the bond use category which includes all industrial development bonds that constitute qualified small issue bonds, as described in the code.

(19) "State" means the state of Washington.

(20) "State ceiling" means the volume limitation for each calendar year on tax-exempt private activity bonds, as imposed by the code.

(21) "Student loans" means the bond use category which includes qualified student loan bonds as described in the code.

Sec. 24. RCW 42.17.2401 and 2007 c 341 s 48, 2007 c 241 s 2, and 2007 c 15 s 1 are each reenacted and amended to read as follows:

For the purposes of RCW 42.17.240, the term "executive state officer" includes:

(1) The chief administrative law judge, the director of agriculture, the administrator of the Washington basic health plan, the director of the department of services for the blind, the director of the state system of community and technical colleges, the director of ~~((community, trade, and economic development))~~ commerce, the secretary of corrections, the director of early learning, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, the director of general administration, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the director of the department of information services, the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, the director of personnel, the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State

College, and each district and each campus president of each state community college;

(2) Each professional staff member of the office of the governor;

(3) Each professional staff member of the legislature; and

(4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, committee for deferred compensation, Eastern Washington University board of trustees, Washington economic development finance authority, The Evergreen State College board of trustees, executive ethics board, forest practices appeals board, forest practices board, gambling commission, life sciences discovery fund authority board of trustees, Washington health care facilities authority, each member of the Washington health services commission, higher education coordinating board, higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, information services board, recreation and conservation funding board, state investment board, commission on judicial conduct, legislative ethics board, liquor control board, lottery commission, marine oversight board, Pacific Northwest electric power and conservation planning council, parks and recreation commission, board of pilotage commissioners, pollution control hearings board, public disclosure commission, public pension commission, shorelines ~~((hearings))~~ hearings board, public employees' benefits board, salmon recovery funding board, board of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington state maritime commission, Washington personnel resources board, Washington public power supply system executive board, Washington State University board of regents, Western Washington University board of trustees, and fish and wildlife commission.

Sec. 25. RCW 43.17.010 and 2007 c 341 s 46 are each amended to read as follows:

There shall be departments of the state government which shall be known as (1) the department of social and health services, (2) the department of ecology, (3) the department of labor and industries, (4) the department of agriculture, (5) the department of fish and wildlife, (6) the department of transportation, (7) the department of licensing, (8) the department of general administration, (9) the department of ~~((community, trade, and economic development))~~ commerce, (10) the department of veterans affairs, (11) the department of revenue, (12) the department of retirement systems, (13) the department of corrections, (14) the department of health, (15) the department of financial institutions, (16) the department of archaeology and historic preservation, (17) the department of early learning, and (18) the Puget Sound partnership, which shall be charged with the execution, enforcement, and administration of such laws, and invested with such powers and required to perform such duties, as the legislature may provide.

Sec. 26. RCW 43.17.020 and 2007 c 341 s 47 are each amended to read as follows:

There shall be a chief executive officer of each department to be known as: (1) The secretary of social and health services, (2) the director of ecology, (3) the director of labor and industries, (4) the director of agriculture, (5) the director of fish and wildlife, (6) the secretary of transportation, (7) the director of licensing, (8) the director of general administration, (9) the director of ~~((community, trade, and economic development))~~ commerce, (10) the director of veterans affairs, (11) the director of revenue, (12) the director of retirement systems, (13) the secretary of corrections, (14) the secretary of health, (15) the director of financial institutions, (16) the director of the department of archaeology and historic preservation, (17) the director of early learning, and (18) the executive director of the Puget Sound partnership.

Such officers, except the director of fish and wildlife, shall be appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor. The director of fish and wildlife shall be appointed by the fish and wildlife commission as prescribed by RCW 77.04.055.

Sec. 27. RCW 43.21F.025 and 1996 c 186 s 102 are each amended to read as follows:

(1) "Energy" means petroleum or other liquid fuels; natural or synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear material; electricity; solar radiation; geothermal resources; hydropower; organic waste products; wind; tidal activity; any other substance or process used to produce heat, light, or motion; or the savings from nongeneration technologies, including conservation or improved efficiency in the usage of any of the sources described in this subsection;

(2) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, political subdivision, municipal corporation, government agency, public utility district, joint operating agency, or any other entity, public or private, however organized;

(3) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce;

(4) "Assistant director" means the assistant director of the department of ~~((community, trade, and economic development))~~ commerce responsible for energy policy activities;

(5) "Department" means the department of ~~((community, trade, and economic development))~~ commerce;

(6) "Distributor" means any person, private corporation, partnership, individual proprietorship, utility, including investor-owned utilities, municipal utility, public utility district, joint operating agency, or cooperative, which engages in or is authorized to engage in the activity of generating, transmitting, or distributing energy in this state; and

(7) "State energy strategy" means the document and energy policy direction developed under section 1, chapter 201, Laws of 1991 including any related appendices.

Sec. 28. RCW 43.31.455 and 2005 c 402 s 3 are each amended to read as follows:

The definitions in this section apply throughout RCW 43.31.450 through 43.31.475 unless the context clearly requires otherwise.

(1) "Department" means the department of (~~((community, trade, and economic development))~~) commerce.

(2) "Director" means the director of the department of (~~((community, trade, and economic development))~~) commerce.

(3) "Foster youth" means a person who is fifteen years of age or older who is a dependent of the department of social and health services; or a person who is at least fifteen years of age, but not more than twenty-three years of age, who was a dependent of the department of social and health services for at least twenty-four months after attaining thirteen years of age.

(4) "Individual development account" or "account" means an account established by contract between a low-income individual and a sponsoring organization for the benefit of the low-income individual and funded through periodic contributions by the low-income individual which are matched with contributions by or through the sponsoring organization.

(5) "Low-income individual" means a person whose household income is equal to or less than either:

(a) Eighty percent of the median family income, adjusted for household size, for the county or metropolitan statistical area where the person resides; or

(b) Two hundred percent of the federal poverty guidelines updated periodically in the federal register by the United States department of health and human services under the authority of 42 U.S.C. 9902(2).

(6) "Program" means the individual development account program established pursuant to RCW 43.31.450 through 43.31.475.

(7) "Sponsoring organization" means: (a) A nonprofit, fund-raising organization that is exempt from taxation under section 501(c)(3) of the internal revenue code as amended and in effect on January 1, 2005; (b) a housing authority established under RCW 35.82.030; or (c) a federally recognized Indian tribe.

Sec. 29. RCW 43.31.522 and 2005 c 136 s 17 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.31.524:

(1) "Department" means the department of (~~((community, trade, and economic development))~~) commerce.

(2) "Director" means the director of (~~((community, trade, and economic development))~~) commerce.

(3) "Local nonprofit organization" means a local nonprofit organization organized to provide economic development or community development services, including but not limited to associate development organizations, economic development councils, and community development corporations.

Sec. 30. RCW 43.31.800 and 1993 c 280 s 52 are each amended to read as follows:

"Director" as used in RCW 43.31.790 through 43.31.850 and 67.16.100 means the director of ~~((community, trade, and economic development))~~ commerce.

Sec. 31. RCW 43.31C.010 and 2000 c 212 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Area" means a geographic area within a local government that is described by a close perimeter boundary.

(2) "Community empowerment zone" means an area meeting the requirements of RCW 43.31C.020 and officially designated by the director.

(3) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(4) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(5) "Local government" means a city, code city, town, or county.

Sec. 32. RCW 43.105.020 and 2003 c 18 s 2 are each amended to read as follows:

As used in this chapter, unless the context indicates otherwise, the following definitions shall apply:

(1) "Department" means the department of information services;

(2) "Board" means the information services board;

(3) "Committee" means the state interoperability executive committee;

(4) "Local governments" includes all municipal and quasi municipal corporations and political subdivisions, and all agencies of such corporations and subdivisions authorized to contract separately;

(5) "Director" means the director of the department;

(6) "Purchased services" means services provided by a vendor to accomplish routine, continuing, and necessary functions. This term includes, but is not limited to, services acquired for equipment maintenance and repair, operation of a physical plant, security, computer hardware and software installation and maintenance, telecommunications installation and maintenance, data entry, keypunch services, programming services, and computer time-sharing;

(7) "Backbone network" means the shared high-density portions of the state's telecommunications transmission facilities. It includes specially conditioned high-speed communications carrier lines, multiplexors, switches associated with such communications lines, and any equipment and software components necessary for management and control of the backbone network;

(8) "Telecommunications" means the transmission of information by wire, radio, optical cable, electromagnetic, or other means;

(9) "Information" includes, but is not limited to, data, text, voice, and video;

(10) "Information processing" means the electronic capture, collection, storage, manipulation, transmission, retrieval, and presentation of information in the form of data, text, voice, or image and includes telecommunications and office automation functions;

(11) "Information services" means data processing, telecommunications, office automation, and computerized information systems;

(12) "Equipment" means the machines, devices, and transmission facilities used in information processing, such as computers, word processors, terminals, telephones, wireless communications system facilities, cables, and any physical facility necessary for the operation of such equipment;

(13) "Information technology portfolio" or "portfolio" means a strategic management process documenting relationships between agency missions and information technology and telecommunications investments;

(14) "Oversight" means a process of comprehensive risk analysis and management designed to ensure optimum use of information technology resources and telecommunications;

(15) "Proprietary software" means that software offered for sale or license;

(16) "Video telecommunications" means the electronic interconnection of two or more sites for the purpose of transmitting and/or receiving visual and associated audio information. Video telecommunications shall not include existing public television broadcast stations as currently designated by the department of (~~community, trade, and economic development~~) commerce under chapter 43.330 RCW;

(17) "K-20 educational network board" or "K-20 board" means the K-20 educational network board created in RCW 43.105.800;

(18) "K-20 network technical steering committee" or "committee" means the K-20 network technical steering committee created in RCW 43.105.810;

(19) "K-20 network" means the network established in RCW 43.105.820;

(20) "Educational sectors" means those institutions of higher education, school districts, and educational service districts that use the network for distance education, data transmission, and other uses permitted by the K-20 board.

Sec. 33. RCW 43.155.020 and 2001 c 131 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section shall apply throughout this chapter.

(1) "Board" means the public works board created in RCW 43.155.030.

(2) "Capital facility plan" means a capital facility plan required by the growth management act under chapter 36.70A RCW or, for local governments not fully planning under the growth management act, a plan required by the public works board.

(3) "Department" means the department of (~~community, trade, and economic development~~) commerce.

(4) "Financing guarantees" means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.

(5) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.

(6) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, or

storm and sanitary sewage systems and solid waste facilities, including recycling facilities. A planning project may include the compilation of biological, hydrological, or other data on a county, drainage basin, or region necessary to develop a base of information for a capital facility plan.

(7) "Solid waste or recycling project" means remedial actions necessary to bring abandoned or closed landfills into compliance with regulatory requirements and the repair, restoration, and replacement of existing solid waste transfer, recycling facilities, and landfill projects limited to the opening of landfill cells that are in existing and permitted landfills.

(8) "Technical assistance" means training and other services provided to local governments to: (a) Help such local governments plan, apply, and qualify for loans and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

Sec. 34. RCW 43.157.010 and 2004 c 275 s 63 are each amended to read as follows:

(1) For purposes of this chapter and RCW 28A.525.166, 28B.76.210, 28C.18.080, 43.21A.350, 47.06.030, and 90.58.100 and an industrial project of statewide significance is a border crossing project that involves both private and public investments carried out in conjunction with adjacent states or provinces or a private industrial development with private capital investment in manufacturing or research and development. To qualify as an industrial project of statewide significance: (a) The project must be completed after January 1, 1997; (b) the applicant must submit an application for designation as an industrial project of statewide significance to the department of ~~((community, trade, and economic development))~~ commerce; and (c) the project must have:

(i) In counties with a population of less than or equal to twenty thousand, a capital investment of twenty million dollars;

(ii) In counties with a population of greater than twenty thousand but no more than fifty thousand, a capital investment of fifty million dollars;

(iii) In counties with a population of greater than fifty thousand but no more than one hundred thousand, a capital investment of one hundred million dollars;

(iv) In counties with a population of greater than one hundred thousand but no more than two hundred thousand, a capital investment of two hundred million dollars;

(v) In counties with a population of greater than two hundred thousand but no more than four hundred thousand, a capital investment of four hundred million dollars;

(vi) In counties with a population of greater than four hundred thousand but no more than one million, a capital investment of six hundred million dollars;

(vii) In counties with a population of greater than one million, a capital investment of one billion dollars;

(viii) In counties with fewer than one hundred persons per square mile as determined annually by the office of financial management and published by the department of revenue effective for the period July 1st through June 30th, projected full-time employment positions after completion of construction of fifty or greater;

(ix) In counties with one hundred or more persons per square mile as determined annually by the office of financial management and published by the

department of revenue effective for the period July 1st through June 30th, projected full-time employment positions after completion of construction of one hundred or greater; or

(x) Been designated by the director of community, trade, and economic development as an industrial project of statewide significance either: (A) Because the county in which the project is to be located is a distressed county and the economic circumstances of the county merit the additional assistance such designation will bring; or (B) because the impact on a region due to the size and complexity of the project merits such designation.

(2) The term manufacturing shall have the meaning assigned it in RCW 82.61.010.

(3) The term research and development shall have the meaning assigned it in RCW 82.61.010.

(4) The term applicant means a person applying to the department of ~~((community, trade, and economic development))~~ commerce for designation of a development project as an industrial project of statewide significance.

Sec. 35. RCW 43.160.020 and 2008 c 327 s 2 and 2008 c 131 s 1 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Board" means the community economic revitalization board.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Local government" or "political subdivision" means any port district, county, city, town, special purpose district, and any other municipal corporations or quasi-municipal corporations in the state providing for public facilities under this chapter.

(4) "Public facilities" means a project of a local government or a federally recognized Indian tribe for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of bridges, roads, domestic and industrial water, earth stabilization, sanitary sewer, storm sewer, railroad, electricity, telecommunications, transportation, natural gas, buildings or structures, and port facilities, all for the purpose of job creation, job retention, or job expansion.

(5) "Rural county" means a county with a population density of fewer than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles, as determined by the office of financial management and published each year by the department for the period July 1st to June 30th.

Sec. 36. RCW 43.168.020 and 2008 c 131 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(2) "Director" means the director of ~~((community, trade, and economic development))~~ commerce.

(3) "Distressed area" means: (a) A rural county; (b) a county which has an unemployment rate which is twenty percent above the state average for the

immediately previous three years; (c) a county that has a median household income that is less than seventy-five percent of the state median household income for the previous three years; (d) a metropolitan statistical area, as defined by the office of federal statistical policy and standards, United States department of commerce, in which the average level of unemployment for the calendar year immediately preceding the year in which an application is filed under this chapter exceeds the average state unemployment for such calendar year by twenty percent; or (e) an area within a county, which area: (i) Is composed of contiguous census tracts; (ii) has a minimum population of five thousand persons; (iii) has at least seventy percent of its families and unrelated individuals with incomes below eighty percent of the county's median income for families and unrelated individuals; and (iv) has an unemployment rate which is at least forty percent higher than the county's unemployment rate. For purposes of this definition, "families and unrelated individuals" has the same meaning that is ascribed to that term by the federal department of housing and urban development in its regulations authorizing action grants for economic development and neighborhood revitalization projects.

(4) "Fund" means the rural Washington loan fund.

(5) "Local development organization" means a nonprofit organization which is organized to operate within an area, demonstrates a commitment to a long-standing effort for an economic development program, and makes a demonstrable effort to assist in the employment of unemployed or underemployed residents in an area.

(6) "Project" means the establishment of a new or expanded business in an area which when completed will provide employment opportunities. "Project" also means the retention of an existing business in an area which when completed will provide employment opportunities.

(7) "Rural county" has the same meaning as provided in RCW 82.14.370.

Sec. 37. RCW 43.185.020 and 1995 c 399 s 101 are each amended to read as follows:

"Department" means the department of ~~((community, trade, and economic development))~~ commerce. "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

Sec. 38. RCW 43.185A.010 and 2008 c 6 s 301 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Affordable housing" means residential housing for rental occupancy which, as long as the same is occupied by low-income households, requires payment of monthly housing costs, including utilities other than telephone, of no more than thirty percent of the family's income. The department shall adopt policies for residential homeownership housing, occupied by low-income households, which specify the percentage of family income that may be spent on monthly housing costs, including utilities other than telephone, to qualify as affordable housing.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(4) "First-time home buyer" means an individual or his or her spouse or domestic partner who have not owned a home during the three-year period prior to purchase of a home.

(5) "Low-income household" means a single person, family or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for household size, for the county where the project is located.

Sec. 39. RCW 43.185B.010 and 1995 c 399 s 104 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Affordable housing" means residential housing that is rented or owned by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of ~~((community, trade, and economic development))~~ commerce.

(4) "Nonprofit organization" means any public or private nonprofit organization that: (a) Is organized under federal, state, or local laws; (b) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and (c) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income, low-income, or moderate-income households and special needs populations.

(5) "Regulatory barriers to affordable housing" and "regulatory barriers" mean any public policies (including those embodied in statutes, ordinances, regulations, or administrative procedures or processes) required to be identified by the state or local government in connection with its strategy under section 105(b)(4) of the Cranston-Gonzalez national affordable housing act (42 U.S.C. 12701 et seq.).

(6) "Tenant-based organization" means a nonprofit organization whose governing body includes a majority of members who reside in the housing development and are considered low-income households.

Sec. 40. RCW 43.185C.010 and 2007 c 427 s 3 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(2) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Homeless person" means an individual living outside or in a building not meant for human habitation or which they have no legal right to occupy, in an emergency shelter, or in a temporary housing program which may include a transitional and supportive housing program if habitation time limits exist. This

definition includes substance abusers, people with mental illness, and sex offenders who are homeless.

(4) "Washington homeless census" means an annual statewide census conducted as a collaborative effort by towns, cities, counties, community-based organizations, and state agencies, with the technical support and coordination of the department, to count and collect data on all homeless individuals in Washington.

(5) "Home security fund account" means the state treasury account receiving the state's portion of income from revenue from the sources established by RCW 36.22.179, RCW 36.22.1791, and all other sources directed to the homeless housing and assistance program.

(6) "Homeless housing grant program" means the vehicle by which competitive grants are awarded by the department, utilizing moneys from the ~~((homeless housing))~~ home security fund account, to local governments for programs directly related to housing homeless individuals and families, addressing the root causes of homelessness, preventing homelessness, collecting data on homeless individuals, and other efforts directly related to housing homeless persons.

(7) "Local government" means a county government in the state of Washington or a city government, if the legislative authority of the city affirmatively elects to accept the responsibility for housing homeless persons within its borders.

(8) "Housing continuum" means the progression of individuals along a housing-focused continuum with homelessness at one end and homeownership at the other.

(9) "Local homeless housing task force" means a voluntary local committee created to advise a local government on the creation of a local homeless housing plan and participate in a local homeless housing program. It must include a representative of the county, a representative of the largest city located within the county, at least one homeless or formerly homeless person, such other members as may be required to maintain eligibility for federal funding related to housing programs and services and if feasible, a representative of a private nonprofit organization with experience in low-income housing.

(10) "Long-term private or public housing" means subsidized and unsubsidized rental or owner-occupied housing in which there is no established time limit for habitation of less than two years.

(11) "Interagency council on homelessness" means a committee appointed by the governor and consisting of, at least, policy level representatives of the following entities: (a) The department of ~~((community, trade, and economic development))~~ commerce; (b) the department of corrections; (c) the department of social and health services; (d) the department of veterans affairs; and (e) the department of health.

(12) "Performance measurement" means the process of comparing specific measures of success against ultimate and interim goals.

(13) "Community action agency" means a nonprofit private or public organization established under the economic opportunity act of 1964.

(14) "Housing authority" means any of the public corporations created by chapter 35.82 RCW.

(15) "Homeless housing program" means the program authorized under this chapter as administered by the department at the state level and by the local government or its designated subcontractor at the local level.

(16) "Homeless housing plan" means the ten-year plan developed by the county or other local government to address housing for homeless persons.

(17) "Homeless housing strategic plan" means the ten-year plan developed by the department, in consultation with the interagency council on homelessness and the affordable housing advisory board.

(18) "Washington homeless client management information system" means a database of information about homeless individuals in the state used to coordinate resources to assist homeless clients to obtain and retain housing and reach greater levels of self-sufficiency or economic independence when appropriate, depending upon their individual situations.

Sec. 41. RCW 43.325.010 and 2007 c 348 s 301 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Applicant" means any political subdivision of the state, including port districts, counties, cities, towns, special purpose districts, and other municipal corporations or quasi-municipal corporations. "Applicant" may also include federally recognized tribes and state institutions of higher education with appropriate research capabilities.

(2) "Alternative fuel" means all products or energy sources used to propel motor vehicles, other than conventional gasoline, diesel, or reformulated gasoline. "Alternative fuel" includes, but is not limited to, cellulose, liquefied petroleum gas, liquefied natural gas, compressed natural gas, biofuels, biodiesel fuel, E85 motor fuel, fuels containing seventy percent or more by volume of alcohol fuel, fuels that are derived from biomass, hydrogen fuel, anhydrous ammonia fuel, nonhazardous motor fuel, or electricity, excluding onboard electric generation.

(3) "Assistance" includes loans, leases, product purchases, or other forms of financial or technical assistance.

(4) "Biofuel" includes, but is not limited to, biodiesel, ethanol, and ethanol blend fuels and renewable liquid natural gas or liquid compressed natural gas made from biogas.

(5) "Biogas" includes waste gases derived from landfills and wastewater treatment plants and dairy and farm wastes.

(6) "Cellulose" means lignocellulosic, hemicellulosic, or other cellulosic matter that is available on a renewable or recurring basis, including dedicated energy crops and trees, wood and wood residues, plants, grasses, agricultural residues, fibers, animal wastes and other waste materials, and municipal solid waste.

(7) "Coordinator" means the person appointed by the director of the department of (~~community, trade, and economic development~~) commerce.

(8) "Department" means the department of (~~community, trade, and economic development~~) commerce.

(9) "Director" means the director of the department of (~~community, trade, and economic development~~) commerce.

(10) "Green highway zone" means an area in the state designated by the department that is within reasonable proximity of state route number 5, state route number 90, and state route number 82.

(11) "Peer review committee" means a board, appointed by the director, that includes bioenergy specialists, energy conservation specialists, scientists, and individuals with specific recognized expertise.

(12) "Project" means the construction of facilities, including the purchase of equipment, to convert farm products or wastes into electricity or gaseous or liquid fuels or other coproducts associated with such conversion. These specifically include fixed or mobile facilities to generate electricity or methane from the anaerobic digestion of organic matter, and fixed or mobile facilities for extracting oils from canola, rape, mustard, and other oilseeds. "Project" may also include the construction of facilities associated with such conversion for the distribution and storage of such feedstocks and fuels.

(13) "Refueling project" means the construction of new alternative fuel refueling facilities, as well as upgrades and expansion of existing refueling facilities, that will enable these facilities to offer alternative fuels to the public.

(14) "Research and development project" means research and development, by an institution of higher education as defined in subsection (1) of this section, relating to:

(a) Bioenergy sources including but not limited to biomass and associated gases; or

(b) The development of markets for bioenergy coproducts.

Sec. 42. RCW 43.336.010 and 2007 c 228 s 101 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Commission" means the Washington tourism commission.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of the department.

(4) "Executive director" means the executive director of the commission.

Sec. 43. RCW 43.338.010 and 2008 c 315 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Costs of extension services" and "extension service costs" mean the direct costs experienced under a contract with a qualified manufacturing extension partnership affiliate for modernization extension services, including but not limited to amounts in the contract for costs of consulting, instruction, materials, equipment, rental of class space, marketing, and overhead.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(4) "Innovation and modernization extension voucher" and "voucher" mean an instrument issued to a successful applicant from the department, verifying that funds from the manufacturing innovation and modernization account will be

forwarded to the qualified manufacturing extension partnership affiliate selected by the participant and will cover identified costs of extension services.

(5) "Innovation and modernization extension services" and "service" mean a service funded under this chapter and performed by a qualified manufacturing extension partnership affiliate. The services may include but are not limited to strategic planning, continuous improvement, business development, six sigma, quality improvement, environmental health and safety, lean processes, energy management, innovation and product development, human resources and training, supply chain management, and project management.

(6) "Outreach services" means those activities performed by an affiliate to either assess the technical assistance needs of Washington manufacturers or increase manufacturers' awareness of the opportunities and benefits of implementing cutting edge technology, techniques, and best practices. "Outreach services" includes but is not limited to salaries of outreach staff, needs assessments, client follow-up, public educational events, manufacturing orientated trade shows, electronic communications, newsletters, advertising, direct mail efforts, and contacting business organizations for names of manufacturers who might need assistance.

(7) "Program" means the Washington manufacturing innovation and modernization extension service program created in RCW 43.338.020.

(8) "Program participant" and "participant" mean an applicant for assistance under the program that has received a voucher or a small manufacturer receiving services through an industry association or cluster association that has received a voucher.

(9) "Qualified manufacturing extension partnership affiliate" and "affiliate" mean a private nonprofit organization established under RCW 24.50.010 or other organization that is eligible or certified to receive federal matching funds from the national institute of standards and technology manufacturing extension partnership program of the United States department of commerce.

(10) "Small manufacturer" means a private employer whose primary business is adding value to a product through a manufacturing process and employs one hundred or fewer employees within Washington state.

Sec. 44. RCW 43.360.010 and 2005 c 514 s 908 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Area" means a geographic area within a local government that is described by a closed perimeter boundary.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Director" means the director of the department of ~~((community, trade, and economic development))~~ commerce.

(4) "Local government" means a city, code city, or town.

(5) "Qualified levels of participation" means a local downtown or neighborhood commercial district revitalization program that has been designated by the department.

Sec. 45. RCW 43.362.010 and 2007 c 482 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of (~~((community, trade, and economic development))~~) commerce.

(2) "Nongovernmental entities" includes nonprofit or membership organizations with experience or expertise in transferring development rights.

(3) "Transfer of development rights" includes methods for protecting land from development by voluntarily removing the development rights from a sending area and transferring them to a receiving area for the purpose of increasing development density in the receiving area.

Sec. 46. RCW 43.365.010 and 2006 c 247 s 2 are each amended to read as follows:

The following definitions apply to this chapter, unless the context clearly requires otherwise.

(1) "Approved motion picture competitiveness program" means a nonprofit organization under the internal revenue code, section 501(c)(6), with the sole purpose of revitalizing the state's economic, cultural, and educational standing in the national and international market of motion picture production by recommending and awarding financial assistance for costs associated with motion pictures in the state of Washington.

(2) "Contribution" means cash contributions.

(3) "Costs" means actual expenses of production and postproduction expended in Washington state for the production of motion pictures, including but not limited to payments made for salaries, wages, and health insurance and retirement benefits, the rental costs of machinery and equipment and the purchase of services, food, property, lodging, and permits for work conducted in Washington state.

(4) "Department" means the department of (~~((community, trade, and economic development))~~) commerce.

(5) "Motion picture" means a recorded audio-visual production intended for distribution to theaters, DVD, video, or the internet, or television, or one or more episodes of a single television series, television pilots or presentations, or a commercial. "Motion picture" does not mean production of a television commercial of an amount less than two hundred fifty thousand dollars in actual total investment or one or more segments of a newscast or sporting event.

(6) "Funding assistance" means cash expenditures from an approved motion picture competitiveness program.

(7) "Person" has the same meaning as provided in RCW 82.04.030.

Sec. 47. RCW 59.21.010 and 2002 c 257 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Director" means the director of the department of (~~((community, trade, and economic development))~~) commerce.

(2) "Department" means the department of (~~((community, trade, and economic development))~~) commerce.

(3) "Fund" means the mobile home park relocation fund established under RCW 59.21.050.

(4) "Mobile home park" or "park" means real property that is rented or held out for rent to others for the placement of two or more mobile homes for the primary purpose of production of income, except where the real property is rented or held out for rent for seasonal recreational purpose only and is not intended for year-round occupancy.

(5) "Landlord" or "park-owner" means the owner of the mobile home park that is being closed at the time relocation assistance is provided.

(6) "Relocate" means to remove the mobile home from the mobile home park being closed and to either reinstall it in another location or to demolish it and purchase another mobile/manufactured home constructed to the standards set by the department of housing and urban development.

(7) "Relocation assistance" means the monetary assistance provided under this chapter.

Sec. 48. RCW 59.22.020 and 1995 c 399 s 155 are each amended to read as follows:

The following definitions shall apply throughout this chapter unless the context clearly requires otherwise:

(1) "Account" means the (~~mobile home affairs~~) manufactured housing account created under RCW 59.22.070.

(2) "Affordable" means that, where feasible, low-income residents should not pay more than thirty percent of their monthly income for housing costs.

(3) "Conversion costs" includes the cost of acquiring the mobile home park, the costs of planning and processing the conversion, the costs of any needed repairs or rehabilitation, and any expenditures required by a government agency or lender for the project.

(4) "Department" means the department of (~~community, trade, and economic development~~) commerce.

(5) "Fee" means the mobile home title transfer fee imposed under RCW 59.22.080.

(6) "Fund" or "park purchase account" means the mobile home park purchase account created pursuant to RCW 59.22.030.

(7) "Housing costs" means the total cost of owning, occupying, and maintaining a mobile home and a lot or space in a mobile home park.

(8) "Individual interest in a mobile home park" means any interest which is fee ownership or a lesser interest which entitles the holder to occupy a lot or space in a mobile home park for a period of not less than either fifteen years or the life of the holder. Individual interests in a mobile home park include, but are not limited to, the following:

(a) Ownership of a lot or space in a mobile home park or subdivision;

(b) A membership or shares in a stock cooperative, or a limited equity housing cooperative; or

(c) Membership in a nonprofit mutual benefit corporation which owns, operates, or owns and operates the mobile home park.

(9) "Low-income resident" means an individual or household who resided in the mobile home park prior to application for a loan pursuant to this chapter and with an annual income at or below eighty percent of the median income for the county of standard metropolitan statistical area of residence. Net worth shall

be considered in the calculation of income with the exception of the resident's mobile/manufactured home which is used as their primary residence.

(10) "Low-income spaces" means those spaces in a mobile home park operated by a resident organization which are occupied by low-income residents.

(11) "Mobile home park" means a mobile home park, as defined in RCW 59.20.030(~~((4))~~) (10), or a manufactured home park subdivision as defined by RCW 59.20.030(~~((6))~~) (12) created by the conversion to resident ownership of a mobile home park.

(12) "Resident organization" means a group of mobile home park residents who have formed a nonprofit corporation, cooperative corporation, or other entity or organization for the purpose of acquiring the mobile home park in which they reside and converting the mobile home park to resident ownership. The membership of a resident organization shall include at least two-thirds of the households residing in the mobile home park at the time of application for assistance from the department.

(13) "Resident ownership" means, depending on the context, either the ownership, by a resident organization, as defined in this section, of an interest in a mobile home park which entitles the resident organization to control the operations of the mobile home park for a term of no less than fifteen years, or the ownership of individual interests in a mobile home park, or both.

(14) "Landlord" shall have the same meaning as it does in RCW 59.20.030.

(15) "Manufactured housing" means residences constructed on one or more chassis for transportation, and which bear an insignia issued by a state or federal regulatory agency indication compliance with all applicable construction standards of the United States department of housing and urban development.

(16) "Mobile home" shall have the same meaning as it does in RCW 46.04.302.

(17) "Mobile home lot" shall have the same meaning as it does in RCW 59.20.030.

(18) "Tenant" means a person who rents a mobile home lot for a term of one month or longer and owns the mobile home on the lot.

Sec. 49. RCW 70.103.020 and 2003 c 322 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Abatement" means any measure or set of measures designed to permanently eliminate lead-based paint hazards.

(a) Abatement includes, but is not limited to:

(i) The removal of paint and dust, the permanent enclosure or encapsulation of lead-based paint, the replacement of painted surfaces or fixtures, or the removal or permanent covering of soil, when lead-based paint hazards are present in such paint, dust, or soil; and

(ii) All preparation, cleanup, disposal, and postabatement clearance testing activities associated with such measures.

(b) Specifically, abatement includes, but is not limited to:

(i) Projects for which there is a written contract or other documentation, which provides that an individual or firm will be conducting activities in or to a residential dwelling or child-occupied facility that:

(A) Shall result in the permanent elimination of lead-based paint hazards; or

(B) Are designed to permanently eliminate lead-based paint hazards and are described in (a)(i) and (ii) of this subsection;

(ii) Projects resulting in the permanent elimination of lead-based paint hazards, conducted by certified firms or individuals, unless such projects are covered by (c) of this subsection;

(iii) Projects resulting in the permanent elimination of lead-based paint hazards, conducted by firms or individuals who, through their company name or promotional literature, represent, advertise, or hold themselves out to be in the business of performing lead-based paint activities as identified and defined by this section, unless such projects are covered by (c) of this subsection; or

(iv) Projects resulting in the permanent elimination of lead-based paint hazards, that are conducted in response to state or local abatement orders.

(c) Abatement does not include renovation, remodeling, landscaping, or other activities, when such activities are not designed to permanently eliminate lead-based paint hazards, but, instead, are designed to repair, restore, or remodel a given structure or dwelling, even though these activities may incidentally result in a reduction or elimination of lead-based paint hazards. Furthermore, abatement does not include interim controls, operations and maintenance activities, or other measures and activities designed to temporarily, but not permanently, reduce lead-based paint hazards.

(2) "Accredited training program" means a training program that has been accredited by the department to provide training for individuals engaged in lead-based paint activities.

(3) "Certified inspector" means an individual who has been trained by an accredited training program, meets all the qualifications established by the department, and is certified by the department to conduct inspections.

(4) "Certified abatement worker" means an individual who has been trained by an accredited training program, meets all the qualifications established by the department, and is certified by the department to perform abatements.

(5) "Certified firm" includes a company, partnership, corporation, sole proprietorship, association, agency, or other business entity that meets all the qualifications established by the department and performs lead-based paint activities to which the department has issued a certificate.

(6) "Certified project designer" means an individual who has been trained by an accredited training program, meets all the qualifications established by the department, and is certified by the department to prepare abatement project designs, occupant protection plans, and abatement reports.

(7) "Certified risk assessor" means an individual who has been trained by an accredited training program, meets all the qualifications established by the department, and is certified by the department to conduct risk assessments and sample for the presence of lead in dust and soil for the purposes of abatement clearance testing.

(8) "Certified supervisor" means an individual who has been trained by an accredited training program, meets all the qualifications established by the department, and is certified by the department to supervise and conduct abatements, and to prepare occupant protection plans and abatement reports.

(9) "Department" means the Washington state department of ((community, trade, and economic development)) commerce.

(10) "Director" means the director of the Washington state department of ~~((community, trade, and economic development))~~ commerce.

(11) "Federal laws and rules" means:

(a) Title IV, toxic substances control act (15 U.S.C. Sec. 2681 et seq.) and the rules adopted by the United States environmental protection agency under that law for authorization of state programs;

(b) Any regulations or requirements adopted by the United States department of housing and urban development regarding eligibility for grants to states and local governments; and

(c) Any other requirements adopted by a federal agency with jurisdiction over lead-based paint hazards.

(12) "Lead-based paint" means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams per square centimeter or more than 0.5 percent by weight.

(13) "Lead-based paint activity" includes inspection, testing, risk assessment, lead-based paint hazard reduction project design or planning, or abatement of lead-based paint hazards.

(14) "Lead-based paint hazard" means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as identified by the administrator of the United States environmental protection agency under the toxic substances control act, section 403.

(15) "State program" means a state administered lead-based paint activities certification and training program that meets the federal environmental protection agency requirements.

(16) "Person" includes an individual, corporation, firm, partnership, or association, an Indian tribe, state, or political subdivision of a state, and a state department or agency.

(17) "Risk assessment" means:

(a) An on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and

(b) The provision of a report by the individual or the firm conducting the risk assessment, explaining the results of the investigation and options for reducing lead-based paint hazards.

Sec. 50. RCW 70.125.030 and 2000 c 54 s 1 are each amended to read as follows:

As used in this chapter and unless the context indicates otherwise:

(1) "Core services" means treatment services for victims of sexual assault including information and referral, crisis intervention, medical advocacy, legal advocacy, support, system coordination, and prevention for potential victims of sexual assault.

(2) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(3) "Law enforcement agencies" means police and sheriff's departments of this state.

(4) "Personal representative" means a friend, relative, attorney, or employee or volunteer from a community sexual assault program or specialized treatment service provider.

(5) "Rape crisis center" means a community-based social service agency which provides services to victims of sexual assault.

(6) "Community sexual assault program" means a community-based social service agency that is qualified to provide and provides core services to victims of sexual assault.

(7) "Sexual assault" means one or more of the following:

- (a) Rape or rape of a child;
- (b) Assault with intent to commit rape or rape of a child;
- (c) Incest or indecent liberties;
- (d) Child molestation;
- (e) Sexual misconduct with a minor;
- (f) Custodial sexual misconduct;
- (g) Crimes with a sexual motivation; or
- (h) An attempt to commit any of the aforementioned offenses.

(8) "Specialized services" means treatment services for victims of sexual assault including support groups, therapy, and specialized sexual assault medical examination.

(9) "Victim" means any person who suffers physical and/or mental anguish as a proximate result of a sexual assault.

Sec. 51. RCW 70.164.020 and 1995 c 399 s 199 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Department" means the department of ~~((community, trade, and economic development))~~ commerce.

(2) "Energy assessment" means an analysis of a dwelling unit to determine the need for cost-effective energy conservation measures as determined by the department.

(3) "Household" means an individual or group of individuals living in a dwelling unit as defined by the department.

(4) "Low income" means household income that is at or below one hundred twenty-five percent of the federally established poverty level.

(5) "Nonutility sponsor" means any sponsor other than a public service company, municipality, public utility district, mutual or cooperative, furnishing gas or electricity used to heat low-income residences.

(6) "Residence" means a dwelling unit as defined by the department.

(7) "Sponsor" means any entity that submits a proposal under RCW 70.164.040, including but not limited to any local community action agency, community service agency, or any other participating agency or any public service company, municipality, public utility district, mutual or cooperative, or any combination of such entities that jointly submits a proposal.

(8) "Sponsor match" means the share, if any, of the cost of weatherization to be paid by the sponsor.

(9) "Weatherization" means materials or measures, and their installation, that are used to improve the thermal efficiency of a residence.

(10) "Weatherizing agency" means any approved department grantee or any public service company, municipality, public utility district, mutual or cooperative, or other entity that bears the responsibility for ensuring the

performance of weatherization of residences under this chapter and has been approved by the department.

Sec. 52. RCW 70.190.010 and 1996 c 132 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Administrative costs" means the costs associated with procurement; payroll processing; personnel functions; management; maintenance and operation of space and property; data processing and computer services; accounting; budgeting; auditing; indirect costs; and organizational planning, consultation, coordination, and training.

(2) "Assessment" has the same meaning as provided in RCW 43.70.010.

(3) "At-risk" children are children who engage in or are victims of at-risk behaviors.

(4) "At-risk behaviors" means violent delinquent acts, teen substance abuse, teen pregnancy and male parentage, teen suicide attempts, dropping out of school, child abuse or neglect, and domestic violence.

(5) "Community public health and safety networks" or "networks" means the organizations authorized under RCW 70.190.060.

(6) "Comprehensive plan" means a two-year plan that examines available resources and unmet needs for a county or multicounty area, barriers that limit the effective use of resources, and a plan to address these issues that is broadly supported by local residents.

(7) "Participating state agencies" means the office of the superintendent of public instruction, the department of social and health services, the department of health, the employment security department, the department of (~~community, trade, and economic development~~) commerce, and such other departments as may be specifically designated by the governor.

(8) "Family policy council" or "council" means the superintendent of public instruction, the secretary of social and health services, the secretary of health, the commissioner of the employment security department, and the director of the department of (~~community, trade, and economic development~~) commerce or their designees, one legislator from each caucus of the senate and house of representatives, and one representative of the governor.

(9) "Fiduciary interest" means (a) the right to compensation from a health, educational, social service, or justice system organization that receives public funds, or (b) budgetary or policy-making authority for an organization listed in (a) of this subsection. A person who acts solely in an advisory capacity and receives no compensation from a health, educational, social service, or justice system organization, and who has no budgetary or policy-making authority is deemed to have no fiduciary interest in the organization.

(10) "Outcome" or "outcome based" means defined and measurable outcomes used to evaluate progress in reducing the rate of at-risk children and youth through reducing risk factors and increasing protective factors.

(11) "Matching funds" means an amount no less than twenty-five percent of the amount budgeted for a network. The network's matching funds may be in-kind goods and services. Funding sources allowable for match include appropriate federal or local levy funds, private charitable funding, and other charitable giving. Basic education funds shall not be used as a match. State

general funds shall not be used as a match for violence reduction and drug enforcement account funds created under RCW 69.50.520.

(12) "Policy development" has the same meaning as provided in RCW 43.70.010.

(13) "Protective factors" means those factors determined by the department of health to be empirically associated with behaviors that contribute to socially acceptable and healthy nonviolent behaviors. Protective factors include promulgation, identification, and acceptance of community norms regarding appropriate behaviors in the area of delinquency, early sexual activity, alcohol and substance abuse, educational opportunities, employment opportunities, and absence of crime.

(14) "Risk factors" means those factors determined by the department of health to be empirically associated with at-risk behaviors that contribute to violence.

Sec. 53. RCW 80.36.005 and 2003 c 134 s 1 are each amended to read as follows:

The definitions in this section apply throughout RCW 80.36.410 through 80.36.475, unless the context clearly requires otherwise.

(1) "Community agency" means local community agencies that administer community service voice mail programs.

(2) "Community service voice mail" means a computerized voice mail system that provides low-income recipients with: (a) An individually assigned telephone number; (b) the ability to record a personal greeting; and (c) a private security code to retrieve messages.

(3) "Department" means the department of social and health services.

(4) "Service year" means the period between July 1st and June 30th.

(5) "Community action agency" means local community action agencies or local community service agencies designated by the department of ~~((community, trade, and economic development))~~ commerce under chapter 43.63A RCW.

Sec. 54. RCW 80.80.010 and 2007 c 307 s 2 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Attorney general" means the Washington state office of the attorney general.

(2) "Auditor" means: (a) The Washington state auditor's office or its designee for consumer-owned utilities under its jurisdiction; or (b) an independent auditor selected by a consumer-owned utility that is not under the jurisdiction of the state auditor.

(3) "Average available greenhouse ~~((gases-[gas]))~~ gas emissions output" means the level of greenhouse ~~((gases-[gas]))~~ gas emissions as surveyed and determined by the energy policy division of the department of ~~((community, trade, and economic development))~~ commerce under RCW 80.80.050.

(4) "Baseload electric generation" means electric generation from a power plant that is designed and intended to provide electricity at an annualized plant capacity factor of at least sixty percent.

(5) "Cogeneration facility" means a power plant in which the heat or steam is also used for industrial or commercial heating or cooling purposes and that

meets federal energy regulatory commission standards for qualifying facilities under the public utility regulatory policies act of 1978 (16 U.S.C. Sec. 824a-3), as amended.

(6) "Combined-cycle natural gas thermal electric generation facility" means a power plant that employs a combination of one or more gas turbines and steam turbines in which electricity is produced in the steam turbine from otherwise lost waste heat exiting from one or more of the gas turbines.

(7) "Commission" means the Washington utilities and transportation commission.

(8) "Consumer-owned utility" means a municipal utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, a mutual corporation or association formed under chapter 24.06 RCW, or port district within which an industrial district has been established as authorized by Title 53 RCW, that is engaged in the business of distributing electricity to more than one retail electric customer in the state.

(9) "Department" means the department of ecology.

(10) "Distributed generation" means electric generation connected to the distribution level of the transmission and distribution grid, which is usually located at or near the intended place of use.

(11) "Electric utility" means an electrical company or a consumer-owned utility.

(12) "Electrical company" means a company owned by investors that meets the definition of RCW 80.04.010.

(13) "Governing board" means the board of directors or legislative authority of a consumer-owned utility.

(14) "Greenhouse gases" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(15) "Long-term financial commitment" means:

(a) Either a new ownership interest in baseload electric generation or an upgrade to a baseload electric generation facility; or

(b) A new or renewed contract for baseload electric generation with a term of five or more years for the provision of retail power or wholesale power to end-use customers in this state.

(16) "Plant capacity factor" means the ratio of the electricity produced during a given time period, measured in kilowatt-hours, to the electricity the unit could have produced if it had been operated at its rated capacity during that period, expressed in kilowatt-hours.

(17) "Power plant" means a facility for the generation of electricity that is permitted as a single plant by the energy facility site evaluation council or a local jurisdiction.

(18) "Upgrade" means any modification made for the primary purpose of increasing the electric generation capacity of a baseload electric generation facility. "Upgrade" does not include routine or necessary maintenance, installation of emission control equipment, installation, replacement, or modification of equipment that improves the heat rate of the facility, or installation, replacement, or modification of equipment for the primary purpose of maintaining reliable generation output capability that does not increase the

heat input or fuel usage as specified in existing generation air quality permits as of July 22, 2007, but may result in incidental increases in generation capacity.

Sec. 55. RCW 82.73.010 and 2005 c 514 s 902 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Applicant" means a person applying for a tax credit under this chapter.

(2) "Contribution" means cash contributions.

(3) "Department" means the department of revenue.

(4) "Person" has the meaning given in RCW 82.04.030.

(5) "Program" means a nonprofit organization under internal revenue code sections 501(c)(3) or 501(c)(6), with the sole mission of revitalizing a downtown or neighborhood commercial district area, that is designated by the department of ~~((community, trade, and economic development))~~ commerce as described in RCW 43.360.010 through 43.360.050.

(6) "Main street trust fund" means the department of ~~((community, trade, and economic development's))~~ commerce's main street trust fund account under RCW 43.360.050.

***NEW SECTION.** *Sec. 56. RCW 43.330.005 and 43.330.904 are decodified.*

**Sec. 56 was vetoed. See message at end of chapter.*

NEW SECTION. **Sec. 57.** (1) Section 16 of this act expires July 1, 2015.

(2) Section 41 of this act expires June 30, 2016.

NEW SECTION. **Sec. 58.** The code reviser shall note wherever director or department of community, trade, and economic development is used or referred to in statute that the name of the department has changed. The code reviser shall prepare legislation for the 2010 regular session that changes all statutory references to director or department of community, trade, and economic development to director or department of commerce.

Passed by the House April 24, 2009.

Passed by the Senate April 22, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 56, Engrossed House Bill 2242 entitled:

"AN ACT Relating to creating a department of commerce."

Section 56 inadvertently removes the State Energy Program from the Revised Code of Washington. De-codifying the Energy Office was not the intent of this executive request legislation. Therefore, I have vetoed Section 56.

For these reasons, I have vetoed Section 56 of Engrossed House Bill 2242.

With the exception of Section 56, Engrossed House Bill 2242 is approved."

CHAPTER 566

[Engrossed Second Substitute Senate Bill 5809]

WORKFORCE EMPLOYMENT AND TRAINING

AN ACT Relating to workforce employment and training; amending RCW 50.24.014; adding a new section to chapter 50.22 RCW; creating new sections; providing expiration dates; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that:

(a) This is a time of great economic difficulty for the residents of Washington state;

(b) Education and training provides opportunity for unemployed workers and economically disadvantaged adults to move into living wage jobs and is of critical importance to the current and future prosperity of the residents of Washington state;

(c) Community and technical college workforce training programs, private career schools and colleges, and Washington state apprenticeship and training council-approved apprenticeship programs provide effective and efficient pathways for people to enter high-demand occupations while also meeting the needs of the economy;

(d) The identification of high-demand occupations needs to be based on reliable labor market research; and

(e) Workforce development councils are in a position to provide funding for economically disadvantaged adults and unemployed workers to access training.

(2) Consistent with the intent of the workforce investment act adult and dislocated worker program provisions of the American recovery and reinvestment act of 2009, the legislature intends that individuals who are eligible for services under the workforce investment act adult and dislocated worker programs, or are receiving or have exhausted entitlement to unemployment compensation benefits be provided the opportunity to enroll in training programs to prepare for a high-demand occupation.

Sec. 2. RCW 50.24.014 and 2007 c 327 s 2 are each amended to read as follows:

(1)(a) A separate and identifiable account to provide for the financing of special programs to assist the unemployed is established in the administrative contingency fund. All money in this account shall be expended solely for the purposes of this title and for no other purposes whatsoever. Contributions to this account shall accrue and become payable by each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, at a basic rate of two one-hundredths of one percent. The amount of wages subject to tax shall be determined under RCW 50.24.010.

(b) A separate and identifiable account is established in the administrative contingency fund for financing the employment security department's administrative costs under RCW 50.22.150 and section 4, chapter 3, Laws of 2009 and the costs under RCW 50.22.150(~~((+49))~~) (11) and section 4(14), chapter 3, Laws of 2009. All money in this account shall be expended solely for the

purposes of this title and for no other purposes whatsoever. Contributions to this account shall accrue and become payable by each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, those employers who are required to make payments in lieu of contributions, those employers described under RCW 50.29.025(1)(f)(ii), and those qualified employers assigned rate class 20 or rate class 40, as applicable, under RCW 50.29.025, at a basic rate of one one-hundredth of one percent. The amount of wages subject to tax shall be determined under RCW 50.24.010. Any amount of contributions payable under this subsection (1)(b) that exceeds the amount that would have been collected at a rate of four one-thousandths of one percent must be deposited in the account created in (a) of this subsection.

(2)(a) Contributions under this section shall become due and be paid by each employer under rules as the commissioner may prescribe, and shall not be deducted, in whole or in part, from the remuneration of individuals in the employ of the employer. Any deduction in violation of this section is unlawful.

(b) In the payment of any contributions under this section, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(3) If the commissioner determines that federal funding has been increased to provide financing for the services specified in chapter 50.62 RCW, the commissioner shall direct that collection of contributions under this section be terminated on the following January 1st.

NEW SECTION. Sec. 3. (1) Subject to the availability of funds through March 1, 2011, funds appropriated in the 2009-2011 operating budget for the purposes of this act shall be distributed by the employment security department to workforce development councils as a match to American recovery and reinvestment act formula funds or local workforce investment act funds that workforce development councils provide specifically for the education and training of eligible individuals in high-demand occupations for the purposes identified in section 5(2) of this act. The education and training of eligible individuals in occupations in the aerospace, energy efficiency, forest product, and health care industries shall be given priority, so long as the priority is consistent with federal law.

(a) Funds used to increase capacity as described in section 5(2)(a) of this act shall receive a seventy-five percent match.

(b) Funds used to provide student financial aid described in section 5(2)(b) of this act shall receive a twenty-five percent match.

(2) Funds available for the purposes identified in section 5(2) of this act but not distributed under subsection (1) of this section shall be allocated to the state board for community and technical colleges March 1, 2011. The board shall only use the funds to increase capacity as described in section 5(2)(a) of this act. The board shall report to the employment security department on the use of these funds.

(3) The employment security department, in cooperation with the workforce training and education coordinating board and the state board for community and technical colleges, shall develop a set of guidelines on allowable uses for the incentive funds made available under this section. These guidelines shall

emphasize training programs that expand the skills for Washington workers in order to obtain and retain jobs in high-demand industries such as those referenced in the American recovery and reinvestment act of 2009.

(4) This section expires July 1, 2011.

****NEW SECTION. Sec. 4. The governor shall direct ten percent of statewide funds made available for activities under the workforce investment act in Title VIII of division A of the American recovery and reinvestment act of 2009 (P.L. 111-5) to be used for the purposes of section 3 of this act.***

**Sec. 4 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 5. (1) Consistent with the intent of the workforce investment act adult and dislocated worker program provisions of the American recovery and reinvestment act of 2009, the employment security department shall encourage an increase in education and training through grants and local plan modifications with workforce development councils. The department shall encourage workforce development councils to collaborate with other local recipients of American recovery and reinvestment act funding for the purposes of increasing training and supporting individuals who receive training. The department shall also require workforce development councils to determine the number of participants who will receive education and training in high-demand industries. The department shall require the workforce development councils to report on these efforts to accomplish the tasks described in this subsection.

(2) The employment security department shall use funds as described in section 3 of this act to encourage workforce development councils to use American recovery and reinvestment act and workforce investment act adult and dislocated worker formula resources for the following education and training purposes:

(a) To provide enrollment support or enter into contracts with the community and technical college system to increase capacity for training eligible individuals for high-demand and other occupations listed in section 3(1) of this act in programs on the eligible training provider list or new programs; and

(b) For the provision of individual training accounts that provide financial aid for eligible students training for high-demand and other occupations listed in section 3(1) of this act in programs on the eligible training provider list.

(3) American recovery and reinvestment act formula funds described in this section may not be used to replace or supplant any existing enrollments, programs, support services, or funding sources.

(4) The employment security department, in its role as fiscal agent for workforce funds available under the American recovery and reinvestment act, shall monitor and report to the governor on the use of these funds and identify specific actions that the governor or the legislature may take to ensure the state and local workforce development councils are effectively meeting the intent of this act. This shall include such reports as required by the American recovery and reinvestment act of 2009 and the governor.

(5) This section expires July 1, 2011.

NEW SECTION. Sec. 6. The employment security department, in collaboration with the workforce training and education coordinating board, workforce development councils, and the state board for community and technical colleges, shall submit a report to the governor and to the appropriate

committees of the legislature by December 1, 2010. The report shall describe the implementation of this act, and shall include the following:

- (1) The amounts of expenditures on education and training;
- (2) The number of students receiving training;
- (3) The types of training received by the students;
- (4) Training completion and employment rates;
- (5) Comparisons of preprogram and postprogram wage levels;
- (6) Student demographics and institution/program demographics;
- (7) Efforts made to ensure training was provided in areas that would lead to employment;
- (8) Efforts to develop capacity in occupations that are of particularly high demand; and
- (9) Specific enhancements made in the workforce system to ensure additional training in high-demand occupations is accessible to low-income and dislocated workers.

NEW SECTION. Sec. 7. A new section is added to chapter 50.22 RCW to read as follows:

The employment security department shall periodically bring together representatives of the workforce training and education coordinating board, workforce development councils, the state board for community and technical colleges, business, labor, and the legislature to review development and implementation of chapter . . . , Laws of 2009 (this act) and related programs under this chapter.

NEW SECTION. Sec. 8. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 26, 2009.

Passed by the House April 24, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 4, Engrossed Second Substitute Senate Bill 5809 entitled:

"AN ACT Relating to workforce employment and training."

I am vetoing Section 4 of this bill. The policy intent of the bill can be accomplished without the Legislature directing how the Governor's discretionary Workforce Investment Act 10% fund is used. Although federal law does not prohibit the state Legislature from directing the Workforce Investment Act 10% funds, the approach taken by this bill would set an undesirable precedent.

For these reasons, I have vetoed Section 4 of Engrossed Second Substitute Senate Bill 5809.

With the exception of Section 4, Engrossed Second Substitute Senate Bill 5809 is approved."

CHAPTER 567

[Substitute Senate Bill 5795]

TACOMA NARROWS TOLL BRIDGE ACCOUNT

AN ACT Relating to the Tacoma Narrows toll bridge account; and amending RCW 47.56.165.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 47.56.165 and 2006 c 17 s 1 are each amended to read as follows:

A special account to be known as the Tacoma Narrows toll bridge account is created in the motor vehicle fund in the state treasury.

(1) Deposits to the account must include:

(a) All proceeds of bonds issued for construction of the Tacoma Narrows public-private initiative project, including any capitalized interest;

(b) All of the toll charges and other revenues received from the operation of the Tacoma Narrows bridge as a toll facility, to be deposited at least monthly;

(c) Any interest that may be earned from the deposit or investment of those revenues;

(d) Notwithstanding RCW 47.12.063, proceeds from the sale of any surplus real property acquired for the purpose of building the second Tacoma Narrows bridge; and

(e) All liquidated damages collected under any contract involving the construction of the second Tacoma Narrows bridge.

(2) Proceeds of bonds shall be used consistent with RCW 47.46.130, including the reimbursement of expenses and fees incurred under agreements entered into under RCW 47.46.040 as required by those agreements.

(3) Toll charges, other revenues, and interest may only be used to:

(a) Pay ~~((any))~~ required costs ~~((of))~~ that contribute directly to the financing, operation, maintenance, ((and)) management, and necessary repairs of the tolled facility, as determined by rule by the transportation commission; and

(b) Repay amounts to the motor vehicle fund as required under RCW 47.46.140.

(4) Toll charges, other revenues, and interest may not be used to pay for costs that do not contribute directly to the financing, operation, maintenance, management, and necessary repairs of the tolled facility, as determined by rule by the transportation commission.

(5) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's web site using current department resources.

(6) When repaying the motor vehicle fund under RCW 47.46.140, the state treasurer shall transfer funds from the Tacoma Narrows toll bridge account to the motor vehicle fund on or before each debt service date for bonds issued for the Tacoma Narrows public-private initiative project in an amount sufficient to repay the motor vehicle fund for amounts transferred from that fund to the highway bond retirement fund to provide for any bond principal and interest due on that date. The state treasurer may establish subaccounts for the purpose of segregating toll charges, bond sale proceeds, and other revenues.

Passed by the Senate March 5, 2009.

Passed by the House April 26, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 568

[Substitute House Bill 2341]

BASIC HEALTH PLAN PROGRAM

AN ACT Relating to changes in the basic health plan program necessary to implement the 2009-2011 operating budget; amending RCW 70.47.010, 70.47.020, 70.47.060, 70.47.070, 70.47.100, 74.09.053, and 70.47.170; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.47.010 and 2000 c 79 s 42 are each amended to read as follows:

(1)(a) The legislature finds that limitations on access to health care services for enrollees in the state, such as in rural and underserved areas, are particularly challenging for the basic health plan. Statutory restrictions have reduced the options available to the administrator to address the access needs of basic health plan enrollees. It is the intent of the legislature to authorize the administrator to develop alternative purchasing strategies to ensure access to basic health plan enrollees in all areas of the state, including: (i) The use of differential rating for managed health care systems based on geographic differences in costs; and (ii) limited use of self-insurance in areas where adequate access cannot be assured through other options.

(b) In developing alternative purchasing strategies to address health care access needs, the administrator shall consult with interested persons including health carriers, health care providers, and health facilities, and with other appropriate state agencies including the office of the insurance commissioner and the office of community and rural health. In pursuing such alternatives, the administrator shall continue to give priority to prepaid managed care as the preferred method of assuring access to basic health plan enrollees followed, in priority order, by preferred providers, fee for service, and self-funding.

(2) The legislature further finds that:

(a) A significant percentage of the population of this state does not have reasonably available insurance or other coverage of the costs of necessary basic health care services;

(b) This lack of basic health care coverage is detrimental to the health of the individuals lacking coverage and to the public welfare, and results in substantial expenditures for emergency and remedial health care, often at the expense of health care providers, health care facilities, and all purchasers of health care, including the state; and

(c) The use of managed health care systems has significant potential to reduce the growth of health care costs incurred by the people of this state generally, and by low-income pregnant women, and at-risk children and adolescents who need greater access to managed health care.

(3) The purpose of this chapter is to provide or make more readily available necessary basic health care services in an appropriate setting to working persons and others who lack coverage, at a cost to these persons that does not create barriers to the utilization of necessary health care services. To that end, this chapter establishes a program to be made available to those residents not eligible for medicare who share in a portion of the cost or who pay the full cost of receiving basic health care services from a managed health care system.

(4) It is not the intent of this chapter to provide health care services for those persons who are presently covered through private employer-based health plans,

nor to replace employer-based health plans. However, the legislature recognizes that cost-effective and affordable health plans may not always be available to small business employers. Further, it is the intent of the legislature to expand, wherever possible, the availability of private health care coverage and to discourage the decline of employer-based coverage.

(5)(a) It is the purpose of this chapter to acknowledge the initial success of this program that has (i) assisted thousands of families in their search for affordable health care; (ii) demonstrated that low-income, uninsured families are willing to pay for their own health care coverage to the extent of their ability to pay; and (iii) proved that local health care providers are willing to enter into a public-private partnership as a managed care system.

(b) As a consequence, the legislature intends to extend an option to enroll to certain citizens above two hundred percent of the federal poverty guidelines within the state who reside in communities where the plan is operational and who collectively or individually wish to exercise the opportunity to purchase health care coverage through the basic health plan if the purchase is done at no cost to the state. It is also the intent of the legislature to allow employers and other financial sponsors to financially assist such individuals to purchase health care through the program so long as such purchase does not result in a lower standard of coverage for employees.

(c) The legislature intends that, to the extent of available funds, the program be available throughout Washington state to subsidized and unsubsidized enrollees. It is also the intent of the legislature to enroll subsidized enrollees first, to the maximum extent feasible.

(d) The legislature directs that the basic health plan administrator identify enrollees who are likely to be eligible for medical assistance and assist these individuals in applying for and receiving medical assistance. The administrator and the department of social and health services shall implement a seamless system to coordinate eligibility determinations and benefit coverage for enrollees of the basic health plan and medical assistance recipients. Enrollees receiving medical assistance are not eligible for the Washington basic health plan.

Sec. 2. RCW 70.47.020 and 2007 c 259 s 35 are each amended to read as follows:

As used in this chapter:

(1) "Washington basic health plan" or "plan" means the system of enrollment and payment for basic health care services, administered by the plan administrator through participating managed health care systems, created by this chapter.

(2) "Administrator" means the Washington basic health plan administrator, who also holds the position of administrator of the Washington state health care authority.

(3) "Health coverage tax credit program" means the program created by the Trade Act of 2002 (P.L. 107-210) that provides a federal tax credit that subsidizes private health insurance coverage for displaced workers certified to receive certain trade adjustment assistance benefits and for individuals receiving benefits from the pension benefit guaranty corporation.

(4) "Health coverage tax credit eligible enrollee" means individual workers and their qualified family members who lose their jobs due to the effects of

international trade and are eligible for certain trade adjustment assistance benefits; or are eligible for benefits under the alternative trade adjustment assistance program; or are people who receive benefits from the pension benefit guaranty corporation and are at least fifty-five years old.

(5) "Managed health care system" means: (a) Any health care organization, including health care providers, insurers, health care service contractors, health maintenance organizations, or any combination thereof, that provides directly or by contract basic health care services, as defined by the administrator and rendered by duly licensed providers, to a defined patient population enrolled in the plan and in the managed health care system; or (b) a self-funded or self-insured method of providing insurance coverage to subsidized enrollees provided under RCW 41.05.140 and subject to the limitations under RCW 70.47.100(7).

(6) "Subsidized enrollee" means:

(a) An individual, or an individual plus the individual's spouse or dependent children:

(i) Who is not eligible for medicare;

(ii) Who is not confined or residing in a government-operated institution, unless he or she meets eligibility criteria adopted by the administrator;

(iii) Who is not a full-time student who has received a temporary visa to study in the United States;

(iv) Who resides in an area of the state served by a managed health care system participating in the plan;

(v) Whose gross family income at the time of enrollment does not exceed two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services; ~~((and))~~

(vi) Who chooses to obtain basic health care coverage from a particular managed health care system in return for periodic payments to the plan; and

(vii) Who is not receiving medical assistance administered by the department of social and health services;

(b) An individual who meets the requirements in (a)(i) through (iv) ~~((and))~~, (vi), and (vii) of this subsection and who is a foster parent licensed under chapter 74.15 RCW and whose gross family income at the time of enrollment does not exceed three hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services; and

(c) To the extent that state funds are specifically appropriated for this purpose, with a corresponding federal match, an individual, or an individual's spouse or dependent children, who meets the requirements in (a)(i) through (iv) ~~((and))~~, (vi), and (vii) of this subsection and whose gross family income at the time of enrollment is more than two hundred percent, but less than two hundred fifty-one percent, of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services.

(7) "Nonsubsidized enrollee" means an individual, or an individual plus the individual's spouse or dependent children: (a) Who is not eligible for medicare; (b) who is not confined or residing in a government-operated institution, unless he or she meets eligibility criteria adopted by the administrator; (c) who is accepted for enrollment by the administrator as provided in RCW 48.43.018,

either because the potential enrollee cannot be required to complete the standard health questionnaire under RCW 48.43.018, or, based upon the results of the standard health questionnaire, the potential enrollee would not qualify for coverage under the Washington state health insurance pool; (d) who resides in an area of the state served by a managed health care system participating in the plan; (e) who chooses to obtain basic health care coverage from a particular managed health care system; and (f) who pays or on whose behalf is paid the full costs for participation in the plan, without any subsidy from the plan.

(8) "Subsidy" means the difference between the amount of periodic payment the administrator makes to a managed health care system on behalf of a subsidized enrollee plus the administrative cost to the plan of providing the plan to that subsidized enrollee, and the amount determined to be the subsidized enrollee's responsibility under RCW 70.47.060(2).

(9) "Premium" means a periodic payment, which an individual, their employer or another financial sponsor makes to the plan as consideration for enrollment in the plan as a subsidized enrollee, a nonsubsidized enrollee, or a health coverage tax credit eligible enrollee.

(10) "Rate" means the amount, negotiated by the administrator with and paid to a participating managed health care system, that is based upon the enrollment of subsidized, nonsubsidized, and health coverage tax credit eligible enrollees in the plan and in that system.

Sec. 3. RCW 70.47.060 and 2007 c 259 s 36 are each amended to read as follows:

The administrator has the following powers and duties:

(1) To design and from time to time revise a schedule of covered basic health care services, including physician services, inpatient and outpatient hospital services, prescription drugs and medications, and other services that may be necessary for basic health care. In addition, the administrator may, to the extent that funds are available, offer as basic health plan services chemical dependency services, mental health services, and organ transplant services(~~however, no one service or any combination of these three services shall increase the actuarial value of the basic health plan benefits by more than five percent excluding inflation, as determined by the office of financial management~~). All subsidized and nonsubsidized enrollees in any participating managed health care system under the Washington basic health plan shall be entitled to receive covered basic health care services in return for premium payments to the plan. The schedule of services shall emphasize proven preventive and primary health care and shall include all services necessary for prenatal, postnatal, and well-child care. However, with respect to coverage for subsidized enrollees who are eligible to receive prenatal and postnatal services through the medical assistance program under chapter 74.09 RCW, the administrator shall not contract for such services except to the extent that such services are necessary over not more than a one-month period in order to maintain continuity of care after diagnosis of pregnancy by the managed care provider. The schedule of services shall also include a separate schedule of basic health care services for children, eighteen years of age and younger, for those subsidized or nonsubsidized enrollees who choose to secure basic coverage through the plan only for their dependent children. In designing and revising the schedule of services, the administrator shall consider the guidelines for assessing

health services under the mandated benefits act of 1984, RCW 48.47.030, and such other factors as the administrator deems appropriate. The administrator shall encourage enrollees who have been continually enrolled on basic health for a period of one year or more to complete a health risk assessment and participate in programs approved by the administrator that may include wellness, smoking cessation, and chronic disease management programs. In approving programs, the administrator shall consider evidence that any such programs are proven to improve enrollee health status.

(2)(a) To design and implement a structure of periodic premiums due the administrator from subsidized enrollees that is based upon gross family income, giving appropriate consideration to family size and the ages of all family members. The enrollment of children shall not require the enrollment of their parent or parents who are eligible for the plan. The structure of periodic premiums shall be applied to subsidized enrollees entering the plan as individuals pursuant to subsection (11) of this section and to the share of the cost of the plan due from subsidized enrollees entering the plan as employees pursuant to subsection (12) of this section.

(b) To determine the periodic premiums due the administrator from subsidized enrollees under RCW 70.47.020(6)(b). Premiums due for foster parents with gross family income up to two hundred percent of the federal poverty level shall be set at the minimum premium amount charged to enrollees with income below sixty-five percent of the federal poverty level. Premiums due for foster parents with gross family income between two hundred percent and three hundred percent of the federal poverty level shall not exceed one hundred dollars per month.

(c) To determine the periodic premiums due the administrator from nonsubsidized enrollees. Premiums due from nonsubsidized enrollees shall be in an amount equal to the cost charged by the managed health care system provider to the state for the plan plus the administrative cost of providing the plan to those enrollees and the premium tax under RCW 48.14.0201.

(d) To determine the periodic premiums due the administrator from health coverage tax credit eligible enrollees. Premiums due from health coverage tax credit eligible enrollees must be in an amount equal to the cost charged by the managed health care system provider to the state for the plan, plus the administrative cost of providing the plan to those enrollees and the premium tax under RCW 48.14.0201. The administrator will consider the impact of eligibility determination by the appropriate federal agency designated by the Trade Act of 2002 (P.L. 107-210) as well as the premium collection and remittance activities by the United States internal revenue service when determining the administrative cost charged for health coverage tax credit eligible enrollees.

(e) An employer or other financial sponsor may, with the prior approval of the administrator, pay the premium, rate, or any other amount on behalf of a subsidized or nonsubsidized enrollee, by arrangement with the enrollee and through a mechanism acceptable to the administrator. The administrator shall establish a mechanism for receiving premium payments from the United States internal revenue service for health coverage tax credit eligible enrollees.

(f) To develop, as an offering by every health carrier providing coverage identical to the basic health plan, as configured on January 1, 2001, a basic health plan model plan with uniformity in enrollee cost-sharing requirements.

(g) To collect from all public employees a voluntary opt-in donation of varying amounts through a monthly or one-time payroll deduction as provided for in RCW 41.04.230. The donation must be deposited in the health services account established in RCW 43.72.900 to be used for the sole purpose of maintaining enrollment capacity in the basic health plan.

The administrator shall send an annual notice to state employees extending the opportunity to participate in the opt-in donation program for the purpose of saving enrollment slots for the basic health plan. The first such notice shall be sent to public employees no later than June 1, 2009.

The notice shall include monthly sponsorship levels of fifteen dollars per month, thirty dollars per month, fifty dollars per month, and any other amounts deemed reasonable by the administrator. The sponsorship levels shall be named "safety net contributor," "safety net hero," and "safety net champion" respectively. The donation amounts provided shall be tied to the level of coverage the employee will be purchasing for a working poor individual without access to health care coverage.

The administrator shall ensure that employees are given an opportunity to establish a monthly standard deduction or a one-time deduction towards the basic health plan donation program. The basic health plan donation program shall be known as the "save the safety net program."

The donation permitted under this subsection may not be collected from any public employee who does not actively opt in to the donation program. Written notification of intent to discontinue participation in the donation program must be provided by the public employee at least fourteen days prior to the next standard deduction.

(3) To evaluate, with the cooperation of participating managed health care system providers, the impact on the basic health plan of enrolling health coverage tax credit eligible enrollees. The administrator shall issue to the appropriate committees of the legislature preliminary evaluations on June 1, 2005, and January 1, 2006, and a final evaluation by June 1, 2006. The evaluation shall address the number of persons enrolled, the duration of their enrollment, their utilization of covered services relative to other basic health plan enrollees, and the extent to which their enrollment contributed to any change in the cost of the basic health plan.

(4) To end the participation of health coverage tax credit eligible enrollees in the basic health plan if the federal government reduces or terminates premium payments on their behalf through the United States internal revenue service.

(5) To design and implement a structure of enrollee cost-sharing due a managed health care system from subsidized, nonsubsidized, and health coverage tax credit eligible enrollees. The structure shall discourage inappropriate enrollee utilization of health care services, and may utilize copayments, deductibles, and other cost-sharing mechanisms, but shall not be so costly to enrollees as to constitute a barrier to appropriate utilization of necessary health care services.

(6) To limit enrollment of persons who qualify for subsidies so as to prevent an overexpenditure of appropriations for such purposes. Whenever the

administrator finds that there is danger of such an overexpenditure, the administrator shall close enrollment until the administrator finds the danger no longer exists. Such a closure does not apply to health coverage tax credit eligible enrollees who receive a premium subsidy from the United States internal revenue service as long as the enrollees qualify for the health coverage tax credit program. To prevent the risk of overexpenditure, the administrator may disenroll persons receiving subsidies from the program based on criteria adopted by the administrator. The criteria may include: Length of continual enrollment on the program, income level, or eligibility for other coverage. The administrator shall first attempt to identify enrollees who are eligible for other coverage, and, working with the department of social and health service as provided in RCW 70.47.010(5)(d), transition enrollees eligible for medical assistance to that coverage. The administrator shall develop criteria for persons disenrolled under this subsection to reapply for the program.

(7) To limit the payment of subsidies to subsidized enrollees, as defined in RCW 70.47.020. The level of subsidy provided to persons who qualify may be based on the lowest cost plans, as defined by the administrator.

(8) To adopt a schedule for the orderly development of the delivery of services and availability of the plan to residents of the state, subject to the limitations contained in RCW 70.47.080 or any act appropriating funds for the plan.

(9) To solicit and accept applications from managed health care systems, as defined in this chapter, for inclusion as eligible basic health care providers under the plan for subsidized enrollees, nonsubsidized enrollees, or health coverage tax credit eligible enrollees. The administrator shall endeavor to assure that covered basic health care services are available to any enrollee of the plan from among a selection of two or more participating managed health care systems. In adopting any rules or procedures applicable to managed health care systems and in its dealings with such systems, the administrator shall consider and make suitable allowance for the need for health care services and the differences in local availability of health care resources, along with other resources, within and among the several areas of the state. Contracts with participating managed health care systems shall ensure that basic health plan enrollees who become eligible for medical assistance may, at their option, continue to receive services from their existing providers within the managed health care system if such providers have entered into provider agreements with the department of social and health services.

(10) To receive periodic premiums from or on behalf of subsidized, nonsubsidized, and health coverage tax credit eligible enrollees, deposit them in the basic health plan operating account, keep records of enrollee status, and authorize periodic payments to managed health care systems on the basis of the number of enrollees participating in the respective managed health care systems.

(11) To accept applications from individuals residing in areas served by the plan, on behalf of themselves and their spouses and dependent children, for enrollment in the Washington basic health plan as subsidized, nonsubsidized, or health coverage tax credit eligible enrollees, to give priority to members of the Washington national guard and reserves who served in Operation Enduring Freedom, Operation Iraqi Freedom, or Operation Noble Eagle, and their spouses and dependents, for enrollment in the Washington basic health plan, to establish

appropriate minimum-enrollment periods for enrollees as may be necessary, and to determine, upon application and on a reasonable schedule defined by the authority, or at the request of any enrollee, eligibility due to current gross family income for sliding scale premiums. Funds received by a family as part of participation in the adoption support program authorized under RCW 26.33.320 and 74.13.100 through 74.13.145 shall not be counted toward a family's current gross family income for the purposes of this chapter. When an enrollee fails to report income or income changes accurately, the administrator shall have the authority either to bill the enrollee for the amounts overpaid by the state or to impose civil penalties of up to two hundred percent of the amount of subsidy overpaid due to the enrollee incorrectly reporting income. The administrator shall adopt rules to define the appropriate application of these sanctions and the processes to implement the sanctions provided in this subsection, within available resources. No subsidy may be paid with respect to any enrollee whose current gross family income exceeds twice the federal poverty level or, subject to RCW 70.47.110, who is a recipient of medical assistance or medical care services under chapter 74.09 RCW. If a number of enrollees drop their enrollment for no apparent good cause, the administrator may establish appropriate rules or requirements that are applicable to such individuals before they will be allowed to reenroll in the plan.

(12) To accept applications from business owners on behalf of themselves and their employees, spouses, and dependent children, as subsidized or nonsubsidized enrollees, who reside in an area served by the plan. The administrator may require all or the substantial majority of the eligible employees of such businesses to enroll in the plan and establish those procedures necessary to facilitate the orderly enrollment of groups in the plan and into a managed health care system. The administrator may require that a business owner pay at least an amount equal to what the employee pays after the state pays its portion of the subsidized premium cost of the plan on behalf of each employee enrolled in the plan. Enrollment is limited to those not eligible for medicare who wish to enroll in the plan and choose to obtain the basic health care coverage and services from a managed care system participating in the plan. The administrator shall adjust the amount determined to be due on behalf of or from all such enrollees whenever the amount negotiated by the administrator with the participating managed health care system or systems is modified or the administrative cost of providing the plan to such enrollees changes.

(13) To determine the rate to be paid to each participating managed health care system in return for the provision of covered basic health care services to enrollees in the system. Although the schedule of covered basic health care services will be the same or actuarially equivalent for similar enrollees, the rates negotiated with participating managed health care systems may vary among the systems. In negotiating rates with participating systems, the administrator shall consider the characteristics of the populations served by the respective systems, economic circumstances of the local area, the need to conserve the resources of the basic health plan trust account, and other factors the administrator finds relevant.

(14) To monitor the provision of covered services to enrollees by participating managed health care systems in order to assure enrollee access to good quality basic health care, to require periodic data reports concerning the

utilization of health care services rendered to enrollees in order to provide adequate information for evaluation, and to inspect the books and records of participating managed health care systems to assure compliance with the purposes of this chapter. In requiring reports from participating managed health care systems, including data on services rendered enrollees, the administrator shall endeavor to minimize costs, both to the managed health care systems and to the plan. The administrator shall coordinate any such reporting requirements with other state agencies, such as the insurance commissioner and the department of health, to minimize duplication of effort.

(15) To evaluate the effects this chapter has on private employer-based health care coverage and to take appropriate measures consistent with state and federal statutes that will discourage the reduction of such coverage in the state.

(16) To develop a program of proven preventive health measures and to integrate it into the plan wherever possible and consistent with this chapter.

(17) To provide, consistent with available funding, assistance for rural residents, underserved populations, and persons of color.

(18) In consultation with appropriate state and local government agencies, to establish criteria defining eligibility for persons confined or residing in government-operated institutions.

(19) To administer the premium discounts provided under RCW 48.41.200(3)(a) (i) and (ii) pursuant to a contract with the Washington state health insurance pool.

(20) To give priority in enrollment to persons who disenrolled from the program in order to enroll in medicaid, and subsequently became ineligible for medicaid coverage.

Sec. 4. RCW 70.47.070 and 1987 1st ex.s. c 5 s 9 are each amended to read as follows:

The benefits available under the basic health plan (~~((shall be subject to RCW 48.21.200 and))~~) shall be excess to the benefits payable under the terms of any insurance policy issued to or on the behalf of an enrollee that provides payments toward medical expenses without a determination of liability for the injury. Except where in conflict with federal or state law, the benefits of any other health plan or insurance which covers an enrollee shall be determined before the benefits of the basic health plan. The administrator shall require that managed health care systems conduct and report on coordination of benefits activities as provided under this section.

Sec. 5. RCW 70.47.100 and 2004 c 192 s 4 are each amended to read as follows:

(1) A managed health care system participating in the plan shall do so by contract with the administrator and shall provide, directly or by contract with other health care providers, covered basic health care services to each enrollee covered by its contract with the administrator as long as payments from the administrator on behalf of the enrollee are current. A participating managed health care system may offer, without additional cost, health care benefits or services not included in the schedule of covered services under the plan. A participating managed health care system shall not give preference in enrollment to enrollees who accept such additional health care benefits or services. Managed health care systems participating in the plan shall not discriminate

against any potential or current enrollee based upon health status, sex, race, ethnicity, or religion. The administrator may receive and act upon complaints from enrollees regarding failure to provide covered services or efforts to obtain payment, other than authorized copayments, for covered services directly from enrollees, but nothing in this chapter empowers the administrator to impose any sanctions under Title 18 RCW or any other professional or facility licensing statute.

(2) The plan shall allow, at least annually, an opportunity for enrollees to transfer their enrollments among participating managed health care systems serving their respective areas. The administrator shall establish a period of at least twenty days in a given year when this opportunity is afforded enrollees, and in those areas served by more than one participating managed health care system the administrator shall endeavor to establish a uniform period for such opportunity. The plan shall allow enrollees to transfer their enrollment to another participating managed health care system at any time upon a showing of good cause for the transfer.

(3) Prior to negotiating with any managed health care system, the administrator shall determine, on an actuarially sound basis, the reasonable cost of providing the schedule of basic health care services, expressed in terms of upper and lower limits, and recognizing variations in the cost of providing the services through the various systems and in different areas of the state.

(4) In negotiating with managed health care systems for participation in the plan, the administrator shall adopt a uniform procedure that includes at least the following:

(a) The administrator shall issue a request for proposals, including standards regarding the quality of services to be provided; financial integrity of the responding systems; and responsiveness to the unmet health care needs of the local communities or populations that may be served;

(b) The administrator shall then review responsive proposals and may negotiate with respondents to the extent necessary to refine any proposals;

(c) The administrator may then select one or more systems to provide the covered services within a local area; and

(d) The administrator may adopt a policy that gives preference to respondents, such as nonprofit community health clinics, that have a history of providing quality health care services to low-income persons.

(5) The administrator may contract with a managed health care system to provide covered basic health care services to subsidized enrollees, nonsubsidized enrollees, health coverage tax credit eligible enrollees, or any combination thereof.

(6) The administrator may establish procedures and policies to further negotiate and contract with managed health care systems following completion of the request for proposal process in subsection (4) of this section, upon a determination by the administrator that it is necessary to provide access, as defined in the request for proposal documents, to covered basic health care services for enrollees.

(7)((~~+~~)) The administrator (~~(shall)~~) may implement a self-funded or self-insured method of providing insurance coverage to subsidized enrollees, as provided under RCW 41.05.140(~~(if one of the following conditions is met:~~

~~(i) The authority determines that no managed health care system other than the authority is willing and able to provide access, as defined in the request for proposal documents, to covered basic health care services for all subsidized enrollees in an area; or~~

~~(ii) The authority determines that no other managed health care system is willing to provide access, as defined in the request for proposal documents, for one hundred thirty three percent of the statewide benchmark price or less, and the authority is able to offer such coverage at a price that is less than the lowest price at which any other managed health care system is willing to provide such access in an area.~~

~~(b) The authority shall initiate steps to provide the coverage described in (a) of this subsection within ninety days of making its determination that the conditions for providing a self-funded or self-insured method of providing insurance have been met.~~

~~(c) The administrator may not implement a self-funded or self-insured method of providing insurance in an area unless the administrator has received a certification from a member of the American academy of actuaries that the funding available in the basic health plan self-insurance reserve account is sufficient for the self-funded or self-insured risk assumed, or expected to be assumed, by the administrator).~~ Prior to implementing a self-funded or self-insured method, the administrator shall ensure that funding available in the basic health plan self-insurance reserve account is sufficient for the self-funded or self-insured risk assumed, or expected to be assumed, by the administrator. If implementing a self-funded or self-insured method, the administrator may request funds to be moved from the basic health plan trust account or the basic health plan subscription account to the basic health plan self-insurance reserve account established in RCW 41.05.140.

Sec. 6. RCW 74.09.053 and 2006 c 264 s 2 are each amended to read as follows:

(1) Beginning in November 2012, the department of social and health services, in coordination with the health care authority, shall by November 15th of each year report to the legislature:

(a) The number of medical assistance recipients who: (i) Upon enrollment or recertification had reported being employed, and beginning with the 2008 report, the month and year they reported being hired; or (ii) upon enrollment or recertification had reported being the dependent of someone who was employed, and beginning with the 2008 report, the month and year they reported the employed person was hired. For recipients identified under (a)(i) and (ii) of this subsection, the department shall report the basis for their medical assistance eligibility, including but not limited to family medical coverage, transitional medical assistance, children's medical or aged or ~~((disabled))~~ individuals with disabilities coverage; member months; and the total cost to the state for these recipients, expressed as general fund-state, health services account and general fund-federal dollars. The information shall be reported by employer ~~((size))~~ size for employers having more than fifty employees as recipients or with dependents as recipients. This information shall be provided for the preceding January and June of that year.

(b) The following aggregated information: (i) The number of employees who are recipients or with dependents as recipients by private and governmental

employers; (ii) the number of employees who are recipients or with dependents as recipients by employer size for employers with fifty or fewer employees, fifty-one to one hundred employees, one hundred one to one thousand employees, one thousand one to five thousand employees and more than five thousand employees; and (iii) the number of employees who are recipients or with dependents as recipients by industry type.

~~((2))~~ (2) For each aggregated classification, the report will include the number of hours worked, the number of department of social and health services covered lives, and the total cost to the state for these recipients. This information shall be for each quarter of the preceding year.

Sec. 7. RCW 70.47.170 and 2006 c 264 s 1 are each amended to read as follows:

(1) Beginning in November 2012, the health care authority, in coordination with the department of social and health services, shall by November 15th of each year report to the legislature:

(a) The number of basic health plan enrollees who: (i) Upon enrollment or recertification had reported being employed, and beginning with the 2008 report, the month and year they reported being hired; or (ii) upon enrollment or recertification had reported being the dependent of someone who was employed, and beginning with the 2008 report, the month and year they reported the employed person was hired; and (iii) the total cost to the state for these enrollees. The information shall be reported by employer ~~((size))~~ size for employers having more than fifty employees as enrollees or with dependents as enrollees. This information shall be provided for the preceding January and June of that year.

(b) The following aggregated information: (i) The number of employees who are enrollees or with dependents as enrollees by private and governmental employers; (ii) the number of employees who are enrollees or with dependents as enrollees by employer size for employers with fifty or fewer employees, fifty-one to one hundred employees, one hundred one to one thousand employees, one thousand one to five thousand employees and more than five thousand employees; and (iii) the number of employees who are enrollees or with dependents as enrollees by industry type.

~~((2))~~ (2) For each aggregated classification, the report will include the number of hours worked and total cost to the state for these enrollees. This information shall be for each quarter of the preceding year.

NEW SECTION. Sec. 8. Section 3 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 26, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 569

[Substitute House Bill 2346]

CRISIS RESIDENTIAL CENTERS

AN ACT Relating to crisis residential centers; amending RCW 74.13.0321, 74.13.033, and 74.13.034; reenacting and amending RCW 13.32A.130; and adding a new section to chapter 13.32A RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 13.32A.130 and 2000 c 162 s 13 and 2000 c 123 s 15 are each reenacted and amended to read as follows:

(1) A child admitted to a secure facility located in a juvenile detention center shall remain in the facility for at least twenty-four hours after admission but for not more than five consecutive days. ~~((If the child admitted under this section is transferred between secure and semi-secure facilities, the aggregate length of time spent in all such centers or facilities may not exceed five consecutive days per admission.))~~ A child admitted to a secure facility not located in a juvenile detention center or a semi-secure facility may remain for not more than fifteen consecutive days. If a child is transferred between a secure and semi-secure facility, the aggregate length of time a child may remain in both facilities shall not exceed fifteen consecutive days per admission, and in no event may a child's stay in a secure facility located in a juvenile detention center exceed five days per admission.

(2)(a)(i) The facility administrator shall determine within twenty-four hours after a child's admission to a secure facility whether the child is likely to remain in a semi-secure facility and may transfer the child to a semi-secure facility or release the child to the department. The determination shall be based on: (A) The need for continued assessment, protection, and treatment of the child in a secure facility; and (B) the likelihood the child would remain at a semi-secure facility until his or her parents can take the child home or a petition can be filed under this title.

(ii) In making the determination the administrator shall consider the following information if known: (A) The child's age and maturity; (B) the child's condition upon arrival at the center; (C) the circumstances that led to the child's being taken to the center; (D) whether the child's behavior endangers the health, safety, or welfare of the child or any other person; (E) the child's history of running away; and (F) the child's willingness to cooperate in the assessment.

(b) If the administrator of a secure facility determines the child is unlikely to remain in a semi-secure facility, the administrator shall keep the child in the secure facility pursuant to this chapter and in order to provide for space for the child may transfer another child who has been in the facility for at least seventy-two hours to a semi-secure facility. The administrator shall only make a transfer of a child after determining that the child who may be transferred is likely to remain at the semi-secure facility.

(c) A crisis residential center administrator is authorized to transfer a child to a crisis residential center in the area where the child's parents reside or where the child's lawfully prescribed residence is located.

(d) An administrator may transfer a child from a semi-secure facility to a secure facility whenever he or she reasonably believes that the child is likely to leave the semi-secure facility and not return and after full consideration of all factors in (a)(i) and (ii) of this subsection.

(3) If no parent is available or willing to remove the child during the first seventy-two hours following admission, the department shall consider the filing of a petition under RCW 13.32A.140.

(4) Notwithstanding the provisions of subsection (1) of this section, the parents may remove the child at any time (~~((during the five-day period))~~) unless the staff of the crisis residential center has reasonable cause to believe that the child is absent from the home because he or she is abused or neglected or if allegations of abuse or neglect have been made against the parents. The department or any agency legally charged with the supervision of a child may remove a child from a crisis residential center at any time after the first twenty-four-hour period after admission has elapsed and only after full consideration by all parties of the factors in subsection (2)(a) of this section.

(5) Crisis residential center staff shall make reasonable efforts to protect the child and achieve a reconciliation of the family. If a reconciliation and voluntary return of the child has not been achieved within forty-eight hours from the time of admission, and if the administrator of the center does not consider it likely that reconciliation will be achieved within (~~((the five-day period))~~) five days of the child's admission to the center, then the administrator shall inform the parent and child of: (a) The availability of counseling services; (b) the right to file a child in need of services petition for an out-of-home placement, the right of a parent to file an at-risk youth petition, and the right of the parent and child to obtain assistance in filing the petition; (c) the right to request the facility administrator or his or her designee to form a multidisciplinary team; (d) the right to request a review of any out-of-home placement; (e) the right to request a mental health or chemical dependency evaluation by a county-designated professional or a private treatment facility; and (f) the right to request treatment in a program to address the child's at-risk behavior under RCW 13.32A.197.

(6) At no time shall information regarding a parent's or child's rights be withheld. The department shall develop and distribute to all law enforcement agencies and to each crisis residential center administrator a written statement delineating the services and rights. The administrator of the facility or his or her designee shall provide every resident and parent with a copy of the statement.

(7) A crisis residential center and any person employed at the center acting in good faith in carrying out the provisions of this section are immune from criminal or civil liability for such actions.

Sec. 2. RCW 74.13.0321 and 1995 c 312 s 61 are each amended to read as follows:

No contract may provide reimbursement or compensation to:

(1) A (~~((crisis residential center's))~~) secure facility located in a juvenile detention center for any service delivered or provided to a resident child after five consecutive days of residence; or

(2) A secure facility not located in a juvenile detention center or a semi-secure crisis residential center facility for any service delivered or provided to a resident child after fifteen consecutive days of residence.

Sec. 3. RCW 74.13.033 and 2000 c 162 s 16 are each amended to read as follows:

(1) If a resident of a crisis residential center becomes by his or her behavior disruptive to the facility's program, such resident may be immediately removed

to a separate area within the facility and counseled on an individual basis until such time as the child regains his or her composure. The department may set rules and regulations establishing additional procedures for dealing with severely disruptive children on the premises.

(2) When the juvenile resides in this facility, all services deemed necessary to the juvenile's reentry to normal family life shall be made available to the juvenile as required by chapter 13.32A RCW. In assessing the child and providing these services, the facility staff shall:

(a) Interview the juvenile as soon as possible;

(b) Contact the juvenile's parents and arrange for a counseling interview with the juvenile and his or her parents as soon as possible;

(c) Conduct counseling interviews with the juvenile and his or her parents, to the end that resolution of the child/parent conflict is attained and the child is returned home as soon as possible;

(d) Provide additional crisis counseling as needed, to the end that placement of the child in the crisis residential center will be required for the shortest time possible, but not to exceed ~~((five))~~ fifteen consecutive days; and

(e) Convene, when appropriate, a multidisciplinary team.

(3) Based on the assessments done under subsection (2) of this section the ~~((facility))~~ center staff may refer any child who, as the result of a mental or emotional disorder, or intoxication by alcohol or other drugs, is suicidal, seriously assaultive, or seriously destructive toward others, or otherwise similarly evidences an immediate need for emergency medical evaluation and possible care, for evaluation pursuant to chapter 71.34 RCW, to a mental health professional pursuant to chapter 71.05 RCW, or to a chemical dependency specialist pursuant to chapter 70.96A RCW whenever such action is deemed appropriate and consistent with law.

(4) A juvenile taking unauthorized leave from a facility shall be apprehended and returned to it by law enforcement officers or other persons designated as having this authority as provided in RCW 13.32A.050. If returned to the facility after having taken unauthorized leave for a period of more than twenty-four hours a juvenile shall be supervised by such a facility for a period, pursuant to this chapter, which, unless where otherwise provided, may not exceed ~~((five))~~ fifteen consecutive days ~~((on the premises))~~. Costs of housing juveniles admitted to crisis residential centers shall be assumed by the department for a period not to exceed ~~((five))~~ fifteen consecutive days.

Sec. 4. RCW 74.13.034 and 2000 c 162 s 17 are each amended to read as follows:

(1) A child taken into custody and taken to a crisis residential center established pursuant to RCW 74.13.032 may, if the center is unable to provide appropriate treatment, supervision, and structure to the child, be taken at department expense to another crisis residential center, the nearest regional secure crisis residential center, or a secure facility with which it is collocated under RCW 74.13.032. Placement in both locations shall not exceed ~~((five))~~ fifteen consecutive days from the point of intake as provided in RCW 13.32A.130.

(2) A child taken into custody and taken to a crisis residential center established by this chapter may be placed physically by the department or the department's designee and, at departmental expense and approval, in a secure

juvenile detention facility operated by the county in which the center is located for a maximum of forty-eight hours, including Saturdays, Sundays, and holidays, if the child has taken unauthorized leave from the center and the person in charge of the center determines that the center cannot provide supervision and structure adequate to ensure that the child will not again take unauthorized leave. Juveniles placed in such a facility pursuant to this section may not, to the extent possible, come in contact with alleged or convicted juvenile or adult offenders.

(3) Any child placed in secure detention pursuant to this section shall, during the period of confinement, be provided with appropriate treatment by the department or the department's designee, which shall include the services defined in RCW 74.13.033(2). If the child placed in secure detention is not returned home or if an alternative living arrangement agreeable to the parent and the child is not made within twenty-four hours after the child's admission, the child shall be taken at the department's expense to a crisis residential center. Placement in the crisis residential center or centers plus placement in juvenile detention shall not exceed five consecutive days from the point of intake as provided in RCW 13.32A.130.

(4) Juvenile detention facilities used pursuant to this section shall first be certified by the department to ensure that juveniles placed in the facility pursuant to this section are provided with living conditions suitable to the well-being of the child. Where space is available, juvenile courts, when certified by the department to do so, shall provide secure placement for juveniles pursuant to this section, at department expense.

NEW SECTION. Sec. 5. A new section is added to chapter 13.32A RCW to read as follows:

The department may take a runaway youth to a secure facility after attempting to notify the parent of the child's whereabouts. The department may not take a child to a secure facility if the department has reasonable cause to believe that the reason for the child's runaway status is the result of abuse or neglect.

Passed by the House April 25, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 19, 2009.

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CHAPTER 570

[Engrossed House Bill 2357]

NURSING FACILITY MEDICAID PAYMENTS

AN ACT Relating to modifying nursing facility medicaid payments by clarifying legislative intent regarding the statewide weighted average, freezing case mix indices, and revising the use of the economic trends and conditions factor; amending RCW 74.46.431 and 74.46.485; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.46.431 and 2008 c 263 s 2 are each amended to read as follows:

(1) Effective July 1, 1999, nursing facility medicaid payment rate allocations shall be facility-specific and shall have seven components: Direct

care, therapy care, support services, operations, property, financing allowance, and variable return. The department shall establish and adjust each of these components, as provided in this section and elsewhere in this chapter, for each medicaid nursing facility in this state.

(2) Component rate allocations in therapy care, support services, variable return, operations, property, and financing allowance for essential community providers as defined in this chapter shall be based upon a minimum facility occupancy of eighty-five percent of licensed beds, regardless of how many beds are set up or in use. For all facilities other than essential community providers, effective July 1, 2001, component rate allocations in direct care, therapy care, support services, and variable return shall be based upon a minimum facility occupancy of eighty-five percent of licensed beds. For all facilities other than essential community providers, effective July 1, 2002, the component rate allocations in operations, property, and financing allowance shall be based upon a minimum facility occupancy of ninety percent of licensed beds, regardless of how many beds are set up or in use. For all facilities, effective July 1, 2006, the component rate allocation in direct care shall be based upon actual facility occupancy. The median cost limits used to set component rate allocations shall be based on the applicable minimum occupancy percentage. In determining each facility's therapy care component rate allocation under RCW 74.46.511, the department shall apply the applicable minimum facility occupancy adjustment before creating the array of facilities' adjusted therapy costs per adjusted resident day. In determining each facility's support services component rate allocation under RCW 74.46.515(3), the department shall apply the applicable minimum facility occupancy adjustment before creating the array of facilities' adjusted support services costs per adjusted resident day. In determining each facility's operations component rate allocation under RCW 74.46.521(3), the department shall apply the minimum facility occupancy adjustment before creating the array of facilities' adjusted general operations costs per adjusted resident day.

(3) Information and data sources used in determining medicaid payment rate allocations, including formulas, procedures, cost report periods, resident assessment instrument formats, resident assessment methodologies, and resident classification and case mix weighting methodologies, may be substituted or altered from time to time as determined by the department.

(4)(a) Direct care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, direct care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2006, direct care component rate allocations. Adjusted cost report data from 2003 will be used for July 1, 2006, through June 30, 2007, direct care component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, direct care component rate allocations. Effective July 1, 2009, the direct care component rate allocation shall be rebased biennially, and thereafter for each odd-numbered year beginning July 1st, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Direct care component rate allocations based on 1996 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(i).

(c) Direct care component rate allocations based on 1999 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 1998, rate, as provided in RCW 74.46.506(5)(i).

(d) Direct care component rate allocations based on 2003 cost report data shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose direct care component rate is set equal to their adjusted June 30, 2006, rate, as provided in RCW 74.46.506(5)(i).

(e) Direct care component rate allocations established in accordance with this chapter shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the direct care component rate allocation established in accordance with this chapter. When no economic trends and conditions factor or factors for either fiscal year are defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the direct care component rate allocation established in accordance with this chapter.

(5)(a) Therapy care component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 will be used for October 1, 1998, through June 30, 2001, therapy care component rate allocations; adjusted cost report data from 1999 will be used for July 1, 2001, through June 30, 2005, therapy care component rate allocations. Adjusted cost report data from 1999 will continue to be used for July 1, 2005, through June 30, 2007, therapy care component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, therapy care component rate allocations. Effective July 1, 2009, and thereafter for each odd-numbered year beginning July 1st, the therapy care component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Therapy care component rate allocations established in accordance with this chapter shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors

defined in any other biennial appropriations acts before applying it to the therapy care component rate allocation established in accordance with this chapter. When no economic trends and conditions factor or factors for either fiscal year are defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the therapy care component rate allocation established in accordance with this chapter.

(6)(a) Support services component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, support services component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2005, support services component rate allocations. Adjusted cost report data from 1999 will continue to be used for July 1, 2005, through June 30, 2007, support services component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, support services component rate allocations. Effective July 1, 2009, and thereafter for each odd-numbered year beginning July 1st, the support services component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Support services component rate allocations established in accordance with this chapter shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the support services component rate allocation established in accordance with this chapter. When no economic trends and conditions factor or factors for either fiscal year are defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the support services component rate allocation established in accordance with this chapter.

(7)(a) Operations component rate allocations shall be established using adjusted cost report data covering at least six months. Adjusted cost report data from 1996 shall be used for October 1, 1998, through June 30, 2001, operations component rate allocations; adjusted cost report data from 1999 shall be used for July 1, 2001, through June 30, 2006, operations component rate allocations. Adjusted cost report data from 2003 will be used for July 1, 2006, through June 30, 2007, operations component rate allocations. Adjusted cost report data from 2005 will be used for July 1, 2007, through June 30, 2009, operations component rate allocations. Effective July 1, 2009, and thereafter for each odd-numbered year beginning July 1st, the operations component rate allocation shall be cost rebased biennially, using the adjusted cost report data for the calendar year two years immediately preceding the rate rebase period, so that adjusted cost report data for calendar year 2007 is used for July 1, 2009, through June 30, 2011, and so forth.

(b) Operations component rate allocations established in accordance with this chapter shall be adjusted annually for economic trends and conditions by a factor or factors defined in the biennial appropriations act. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the operations component rate allocation established in accordance with this chapter. When no economic trends and conditions factor or factors for either fiscal year are defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the operations component rate allocation established in accordance with this chapter. A different economic trends and conditions adjustment factor or factors may be defined in the biennial appropriations act for facilities whose operations component rate is set equal to their adjusted June 30, 2006, rate, as provided in RCW 74.46.521(4).

(8) For July 1, 1998, through September 30, 1998, a facility's property and return on investment component rates shall be the facility's June 30, 1998, property and return on investment component rates, without increase. For October 1, 1998, through June 30, 1999, a facility's property and return on investment component rates shall be rebased utilizing 1997 adjusted cost report data covering at least six months of data.

(9) Total payment rates under the nursing facility medicaid payment system shall not exceed facility rates charged to the general public for comparable services.

(10) Medicaid contractors shall pay to all facility staff a minimum wage of the greater of the state minimum wage or the federal minimum wage.

(11) The department shall establish in rule procedures, principles, and conditions for determining component rate allocations for facilities in circumstances not directly addressed by this chapter, including but not limited to: The need to prorate inflation for partial-period cost report data, newly constructed facilities, existing facilities entering the medicaid program for the first time or after a period of absence from the program, existing facilities with expanded new bed capacity, existing medicaid facilities following a change of ownership of the nursing facility business, facilities banking beds or converting beds back into service, facilities temporarily reducing the number of set-up beds during a remodel, facilities having less than six months of either resident assessment, cost report data, or both, under the current contractor prior to rate setting, and other circumstances.

(12) The department shall establish in rule procedures, principles, and conditions, including necessary threshold costs, for adjusting rates to reflect capital improvements or new requirements imposed by the department or the federal government. Any such rate adjustments are subject to the provisions of RCW 74.46.421.

(13) Effective July 1, 2001, medicaid rates shall continue to be revised downward in all components, in accordance with department rules, for facilities converting banked beds to active service under chapter 70.38 RCW, by using the facility's increased licensed bed capacity to recalculate minimum occupancy for rate setting. However, for facilities other than essential community providers which bank beds under chapter 70.38 RCW, after May 25, 2001, medicaid rates

shall be revised upward, in accordance with department rules, in direct care, therapy care, support services, and variable return components only, by using the facility's decreased licensed bed capacity to recalculate minimum occupancy for rate setting, but no upward revision shall be made to operations, property, or financing allowance component rates. The direct care component rate allocation shall be adjusted, without using the minimum occupancy assumption, for facilities that convert banked beds to active service, under chapter 70.38 RCW, beginning on July 1, 2006. Effective July 1, 2007, component rate allocations for direct care shall be based on actual patient days regardless of whether a facility has converted banked beds to active service.

(14) Facilities obtaining a certificate of need or a certificate of need exemption under chapter 70.38 RCW after June 30, 2001, must have a certificate of capital authorization in order for (a) the depreciation resulting from the capitalized addition to be included in calculation of the facility's property component rate allocation; and (b) the net invested funds associated with the capitalized addition to be included in calculation of the facility's financing allowance rate allocation.

Sec. 2. RCW 74.46.485 and 1998 c 322 s 22 are each amended to read as follows:

(1) The department shall:

(a) Employ the resource utilization group III case mix classification methodology. The department shall use the forty-four group index maximizing model for the resource utilization group III grouper version 5.10, but the department may revise or update the classification methodology to reflect advances or refinements in resident assessment or classification, subject to federal requirements; and

(b) Implement minimum data set 3.0 under the authority of this section and RCW 74.46.431(3). The department must notify nursing home contractors twenty-eight days in advance the date of implementation of the minimum data set 3.0. In the notification, the department must identify for all quarterly rate settings following the date of minimum data set 3.0 implementation a previously established quarterly case mix adjustment established for the quarterly rate settings that will be used for quarterly case mix calculations in direct care until minimum data set 3.0 is fully implemented. After the department has fully implemented minimum data set 3.0, it must adjust any quarter in which it used the previously established quarterly case mix adjustment using the new minimum data set 3.0 data.

(2) A default case mix group shall be established for cases in which the resident dies or is discharged for any purpose prior to completion of the resident's initial assessment. The default case mix group and case mix weight for these cases shall be designated by the department.

(3) A default case mix group may also be established for cases in which there is an untimely assessment for the resident. The default case mix group and case mix weight for these cases shall be designated by the department.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 26, 2009.

Passed by the Senate April 26, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 571

[Substitute House Bill 2361]

IN-HOME CARE—STATE PAYMENTS

AN ACT Relating to modifying state payments for in-home care; adding new sections to chapter 74.39A RCW; creating a new section; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 74.39A RCW to read as follows:

(1)(a) The department shall not pay a home care agency licensed under chapter 70.127 RCW for in-home personal care or respite services provided under this chapter, Title 71A RCW, or chapter 74.39 RCW if the care is provided to a client by a family member of the client. To the extent permitted under federal law, the provisions of this subsection shall not apply if the family member providing care is older than the client.

(b) The department may, on a case-by-case basis based on the client's health and safety, make exceptions to (a) of this subsection to authorize payment or to provide for payment during a transition period of up to three months.

(2) The department shall take appropriate enforcement action against a home care agency found to have charged the state for hours of service for which the department is not authorized to pay under this section, including requiring recoupment of any payment made for those hours and, under criteria adopted by the department by rule, terminating the contract of an agency that violates a recoupment requirement.

(3) For purposes of this section:

(a) "Client" means a person who has been deemed eligible by the department to receive in-home personal care or respite services.

(b) "Family member" shall be liberally construed to include, but not be limited to, a parent, child, sibling, aunt, uncle, cousin, grandparent, grandchild, grandniece, or grandnephew, or such relatives when related by marriage.

(4) The department shall adopt rules to implement this section. The rules shall not result in affecting the amount, duration, or scope of the personal care or respite services benefit to which a client may be entitled pursuant to RCW 74.09.520 or Title XIX of the federal social security act.

NEW SECTION. Sec. 2. A new section is added to chapter 74.39A RCW to read as follows:

(1) Beginning July 1, 2010, the department shall not pay a home care agency licensed under chapter 70.127 RCW for in-home personal care or respite services provided under this chapter, Title 71A RCW, or chapter 74.39 RCW if the home care agency does not verify agency employee hours by electronic time keeping.

(2) For purposes of this section, "electronic time keeping" means an electronic, verifiable method of recording an employee's presence in the client's home at the beginning and end of the employee's client visit workday.

NEW SECTION. Sec. 3. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 26, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 572

[Substitute House Bill 2362]

JUDICIAL BRANCH AGENCIES—FEES

AN ACT Relating to providing support for judicial branch agencies by imposing surcharges on court fees and requesting the supreme court to consider increases to attorney licensing fees; amending RCW 3.62.060, 12.40.020, and 36.18.018; reenacting and amending RCW 36.18.020; adding a new section to chapter 43.79 RCW; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 3.62.060 and 2007 c 46 s 3 are each amended to read as follows:

Clerks of the district courts shall collect the following fees for their official services:

(1) In any civil action commenced before or transferred to a district court, the plaintiff shall, at the time of such commencement or transfer, pay to such court a filing fee of forty-three dollars plus any surcharge authorized by RCW 7.75.035. Any party filing a counterclaim, cross-claim, or third-party claim in such action shall pay to the court a filing fee of forty-three dollars plus any surcharge authorized by RCW 7.75.035. No party shall be compelled to pay to the court any other fees or charges up to and including the rendition of judgment in the action other than those listed.

(2) For issuing a writ of garnishment or other writ, or for filing an attorney issued writ of garnishment, a fee of twelve dollars.

(3) For filing a supplemental proceeding a fee of twenty dollars.

(4) For demanding a jury in a civil case a fee of one hundred twenty-five dollars to be paid by the person demanding a jury.

(5) For preparing a transcript of a judgment a fee of twenty dollars.

(6) For certifying any document on file or of record in the clerk's office a fee of five dollars.

(7) For preparing the record of a case for appeal to superior court a fee of forty dollars including any costs of tape duplication as governed by the rules of appeal for courts of limited jurisdiction (RALJ).

(8) For duplication of part or all of the electronic recording of a proceeding ten dollars per tape or other electronic storage medium.

(9) For filing any abstract of judgment or transcript of judgment from a municipal court or municipal department of a district court organized under the laws of this state a fee of forty-three dollars.

(10) Until July 1, 2011, in addition to the fees required by subsection (1) of this section, clerks of the district courts shall collect a surcharge of twenty dollars on all fees required by subsection (1) of this section, which shall be remitted to the state treasurer for deposit in the judicial stabilization trust account. This surcharge is not subject to the division and remittance requirements of RCW 3.62.020.

The fees or charges imposed under this section shall be allowed as court costs whenever a judgment for costs is awarded.

Sec. 2. RCW 12.40.020 and 2005 c 457 s 14 are each amended to read as follows:

A small claims action shall be commenced by the plaintiff filing a claim, in the form prescribed by RCW 12.40.050, in the small claims department. A filing fee of fourteen dollars plus any surcharge authorized by RCW 7.75.035 shall be paid when the claim is filed. Any party filing a counterclaim, cross-claim, or third-party claim in such action shall pay to the court a filing fee of fourteen dollars plus any surcharge authorized by RCW 7.75.035. Until July 1, 2011, in addition to the fees required by this section, an additional surcharge of ten dollars shall be charged on the filing fees required by this section, which shall be remitted to the state treasurer for deposit in the judicial stabilization trust account.

Sec. 3. RCW 36.18.018 and 2005 c 282 s 43 are each amended to read as follows:

(1) State revenue collected by county clerks under subsection (2) of this section must be transmitted to the appropriate state court. The administrative office of the courts shall retain fees collected under subsection (3) of this section.

(2) For appellate review under RAP 5.1(b), two hundred fifty dollars must be charged.

(3) For all copies and reports produced by the administrative office of the courts as permitted under RCW 2.68.020 and supreme court policy, a variable fee must be charged.

(4) Until July 1, 2011, in addition to the fee established under subsection (2) of this section, a surcharge of thirty dollars is established for appellate review. The county clerk shall transmit this surcharge to the state treasurer for deposit in the judicial stabilization trust account.

Sec. 4. RCW 36.18.020 and 2005 c 457 s 19 and 2005 c 374 s 5 are each reenacted and amended to read as follows:

(1) Revenue collected under this section is subject to division with the state public safety and education account under RCW 36.18.025 and with the county

or regional law library fund under RCW 27.24.070, except as provided in subsection (4) of this section.

(2) Clerks of superior courts shall collect the following fees for their official services:

(a) In addition to any other fee required by law, the party filing the first or initial paper in any civil action, including, but not limited to an action for restitution, adoption, or change of name, and any party filing a counterclaim, cross-claim, or third-party claim in any such civil action, shall pay, at the time the paper is filed, a fee of two hundred dollars except, in an unlawful detainer action under chapter 59.18 or 59.20 RCW for which the plaintiff shall pay a case initiating filing fee of forty-five dollars, or in proceedings filed under RCW 28A.225.030 alleging a violation of the compulsory attendance laws where the petitioner shall not pay a filing fee. The forty-five dollar filing fee under this subsection for an unlawful detainer action shall not include an order to show cause or any other order or judgment except a default order or default judgment in an unlawful detainer action.

(b) Any party, except a defendant in a criminal case, filing the first or initial paper on an appeal from a court of limited jurisdiction or any party on any civil appeal, shall pay, when the paper is filed, a fee of two hundred dollars.

(c) For filing of a petition for judicial review as required under RCW 34.05.514 a filing fee of two hundred dollars.

(d) For filing of a petition for unlawful harassment under RCW 10.14.040 a filing fee of fifty-three dollars.

(e) For filing the notice of debt due for the compensation of a crime victim under RCW 7.68.120(2)(a) a fee of two hundred dollars.

(f) In probate proceedings, the party instituting such proceedings, shall pay at the time of filing the first paper therein, a fee of two hundred dollars.

(g) For filing any petition to contest a will admitted to probate or a petition to admit a will which has been rejected, or a petition objecting to a written agreement or memorandum as provided in RCW 11.96A.220, there shall be paid a fee of two hundred dollars.

(h) Upon conviction or plea of guilty, upon failure to prosecute an appeal from a court of limited jurisdiction as provided by law, or upon affirmance of a conviction by a court of limited jurisdiction, a defendant in a criminal case shall be liable for a fee of two hundred dollars.

(i) With the exception of demands for jury hereafter made and garnishments hereafter issued, civil actions and probate proceedings filed prior to midnight, July 1, 1972, shall be completed and governed by the fee schedule in effect as of January 1, 1972: PROVIDED, That no fee shall be assessed if an order of dismissal on the clerk's record be filed as provided by rule of the supreme court.

(3) No fee shall be collected when a petition for relinquishment of parental rights is filed pursuant to RCW 26.33.080 or for forms and instructional brochures provided under RCW 26.50.030.

(4) Until July 1, 2011, in addition to the fees required by this section, clerks of superior courts shall collect the surcharges required by this subsection, which shall be remitted to the state treasurer for deposit in the judicial stabilization trust account;

(a) On filing fees under subsection (2)(b) of this section, a surcharge of twenty dollars; and

(b) On all other filing fees required by this section except for filing fees in subsection (2)(d) and (h) of this section, a surcharge of thirty dollars.

NEW SECTION. Sec. 5. A new section is added to chapter 43.79 RCW to read as follows:

The judicial stabilization trust account is created within the state treasury, subject to appropriation. All receipts from the surcharges authorized by sections 1 through 4, chapter . . . , Laws of 2009 (sections 1 through 4 of this act) shall be deposited in this account. Moneys in the account may be spent only after appropriation.

Expenditures from the account may be used only for the support of judicial branch agencies.

NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the House April 26, 2009.

Passed by the Senate April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 573

[Substitute House Bill 2363]

EDUCATIONAL EMPLOYEES—COST-OF-LIVING

AN ACT Relating to temporary suspension of cost-of-living increases for educational employees; amending RCW 28A.400.205, 28B.50.465, and 28B.50.468; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.400.205 and 2003 1st sp.s. c 20 s 1 are each amended to read as follows:

(1) School district employees shall be provided an annual salary cost-of-living increase in accordance with this section.

(a) The cost-of-living increase shall be calculated by applying the rate of the yearly increase in the cost-of-living index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the 2001-02 school year, and for each subsequent school year, except for the ((2003-04)) 2009-10 and ((2004-05)) 2010-11 school years, each school district shall be provided a cost-of-living allocation sufficient to grant this cost-of-living increase.

(b) A school district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) Any funded cost-of-living increase shall be included in the salary base used to determine cost-of-living increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual cost-of-living increase funded for certificated instructional staff shall be

applied to the base salary used with the statewide salary allocation schedule established under RCW 28A.150.410 and to any other salary models used to recognize school district personnel costs.

(d) During the 2011-2013 and 2013-2015 fiscal biennia, in addition to cost-of-living allocations required by (a) of this subsection, school districts shall receive additional cost-of-living allocations in equal increments such that by the end of the 2014-15 school year school district employee base salaries used with the statewide salary allocation schedule established under RCW 28A.150.410 and any other state salary models used to recognize school district personnel costs are, at a minimum, equal to what they would have been if cost-of-living allocations had not been suspended during the 2009-10 or 2010-11 school years.

(2) For the purposes of this section, "cost-of-living index" means, for any school year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 2. RCW 28B.50.465 and 2003 1st sp.s. c 20 s 3 are each amended to read as follows:

(1) Academic employees of community and technical college districts shall be provided an annual salary cost-of-living increase in accordance with this section. For purposes of this section, "academic employee" has the same meaning as defined in RCW 28B.52.020.

(a) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year, except as provided in (d) of this subsection, each college district shall receive a cost-of-living allocation sufficient to increase academic employee salaries, including mandatory salary-related benefits, by the rate of the yearly increase in the cost-of-living index.

(b) A college district shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the district's salary schedules, collective bargaining agreements, and other compensation policies. No later than the end of the fiscal year, each college district shall certify to the college board that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) The college board shall include any funded cost-of-living increase in the salary base used to determine cost-of-living increases for academic employees in subsequent years.

(d) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year except for the ((2003-04)) 2009-2010 and ((2004-05)) 2010-2011 fiscal years, the state shall fully fund the cost-of-living increase set forth in this section.

(e) During the 2011-2013 and 2013-2015 fiscal biennia, in addition to cost-of-living allocations required by (a) of this subsection, community and technical college districts shall receive additional cost-of-living allocations in equal increments such that, by the end of the 2014-15 academic year, average salaries of academic employees of community and technical college districts will be, at a

minimum, equal to what salaries would have been if cost-of-living allocations had not been suspended during the 2009-10 or 2010-11 school years.

(2) For the purposes of this section, "cost-of-living index" means, for any fiscal year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

Sec. 3. RCW 28B.50.468 and 2003 1st sp.s. c 20 s 4 are each amended to read as follows:

(1) Classified employees of technical colleges shall be provided an annual salary cost-of-living increase in accordance with this section. For purposes of this section, "technical college" has the same meaning as defined in RCW 28B.50.030. This section applies to only those classified employees under the jurisdiction of chapter 41.56 RCW.

(a) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year, except as provided in (d) of this subsection, each technical college board of trustees shall receive a cost-of-living allocation sufficient to increase classified employee salaries, including mandatory salary-related benefits, by the rate of the yearly increase in the cost-of-living index.

(b) A technical college board of trustees shall distribute its cost-of-living allocation for salaries and salary-related benefits in accordance with the technical college's salary schedules, collective bargaining agreements, and other compensation policies. No later than the end of the fiscal year, each technical college shall certify to the college board that it has spent funds provided for cost-of-living increases on salaries and salary-related benefits.

(c) The college board shall include any funded cost-of-living increase in the salary base used to determine cost-of-living increases for technical college classified employees in subsequent years.

(d) Beginning with the 2001-2002 fiscal year, and for each subsequent fiscal year except for the ((2003-2004)) 2009-2010 and ((2004-2005)) 2010-2011 fiscal years, the state shall fully fund the cost-of-living increase set forth in this section.

((e) During the 2011-2013 and 2013-2015 fiscal biennia, in addition to cost-of-living allocations required by (a) of this subsection, technical college districts shall receive additional cost-of-living allocations in equal increments such that, by the end of the 2014-15 academic year, average salaries of classified employees of technical college districts will be, at a minimum, equal to what salaries would have been if cost-of-living allocations had not been suspended during the 2009-10 or 2010-11 school years.

(2) For the purposes of this section, "cost-of-living index" means, for any fiscal year, the previous calendar year's annual average consumer price index, using the official current base, compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively

within the boundaries of the state, and including all items shall be used for the cost-of-living index in this section.

NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the House April 21, 2009.

Passed by the Senate April 26, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 574

[Substitute Senate Bill 5734]

TUITION FEES

AN ACT Relating to tuition fees; amending RCW 28B.15.067; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28B.15.067 and 2007 c 355 s 7 are each amended to read as follows:

(1) Tuition fees shall be established under the provisions of this chapter.

(2) Beginning with the 2003-04 academic year and ending with the ~~((2008-09))~~ 2012-13 academic year, reductions or increases in full-time tuition fees for resident undergraduates shall be as provided in the omnibus appropriations act.

(3)~~(a)~~ Beginning with the 2003-04 academic year and ending with the ~~((2008-09))~~ 2012-13 academic year, the governing boards of the state universities, the regional universities, The Evergreen State College, and the state board for community and technical colleges may reduce or increase full-time tuition fees for all students other than resident undergraduates, including summer school students and students in other self-supporting degree programs. Percentage increases in full-time tuition fees may exceed the fiscal growth factor. Reductions or increases may be made for all or portions of an institution's programs, campuses, courses, or students.

(b) Prior to reducing or increasing tuition for each academic year, the governing boards of the state universities, the regional universities, and The Evergreen State College shall consult with existing student associations or organizations with student undergraduate and graduate representatives regarding the impacts of potential tuition increases. Governing boards shall be required to provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.

(c) Prior to reducing or increasing tuition for each academic year, each college in the state board for community and technical college system shall consult with existing student associations or organizations with undergraduate student representation regarding the impacts of potential tuition increases. Colleges shall provide data regarding the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.

(4) Academic year tuition for full-time students at the state's institutions of higher education beginning with ~~((2009-10))~~ 2015-16, other than summer term,

shall be as charged during the ((2008-09)) 2014-15 academic year unless different rates are adopted by the legislature.

(5) The tuition fees established under this chapter shall not apply to high school students enrolling in participating institutions of higher education under RCW 28A.600.300 through 28A.600.400.

(6) The tuition fees established under this chapter shall not apply to eligible students enrolling in a community or technical college under RCW 28C.04.610.

(7) The tuition fees established under this chapter shall not apply to eligible students enrolling in a community or technical college participating in the pilot program under RCW 28B.50.534 for the purpose of obtaining a high school diploma.

(8) For the academic years 2003-04 through 2008-09, the University of Washington shall use an amount equivalent to ten percent of all revenues received as a result of law school tuition increases beginning in academic year 2000-01 through academic year 2008-09 to assist needy low and middle-income resident law students.

(9) For the academic years 2003-04 through 2008-09, institutions of higher education shall use an amount equivalent to ten percent of all revenues received as a result of graduate academic school tuition increases beginning in academic year 2003-04 through academic year 2008-09 to assist needy low and middle-income resident graduate academic students.

(10) Any tuition increases above seven percent shall fund costs of instruction, library and student services, utilities and maintenance, other costs related to instruction as well as institutional financial aid. Through 2010-11, any funding reductions to instruction, library and student services, utilities and maintenance and other costs related to instruction shall be proportionally less than other program areas including administration.

****NEW SECTION. Sec. 2. (1) Within existing resources, the joint legislative audit and review committee shall complete a systemic performance audit of the state universities, regional universities, and The Evergreen State College. The purpose of the audit is to create a transparent link between revenues, expenditures, and performance outcomes as outlined in the performance agreements developed under RCW 28B.10.920 and the strategic master plan for higher education as adopted by the legislature. The study shall:***

(a) Identify standardized categories of costs that will allow comparison across various administrative, student support, and academic functions;

(b) Based on available management data, estimate current annual costs at each institution for the various cost categories;

(c) Based on available management data, identify fund sources that support the cost categories at each institution; and

(d) Identify barriers or gaps in data linking revenues, expenditures, and performance agreement outcome measures.

(2) The auditor shall report findings and recommendations to the appropriate committees of the legislature by December 1, 2010. The report shall include, but is not limited to, the following elements as they relate to the purpose of the audit:

(a) The identification of cost savings and programs or services that could be eliminated;

(b) Analysis of gaps or overlaps in programs or services and recommendations to correct gaps or overlaps;

(c) Feasibility of pooling technology systems or elements of technology systems pursuant to chapter . . . RCW (Second Substitute House Bill No. 1946), Laws of 2009;

(d) Recommendations for statutory or regulatory changes that may be necessary for the state universities, regional universities, and The Evergreen State College to meet performance agreement objectives mutually agreed upon pursuant to RCW 28B.10.922; and

(e) Recommendations on the development of a uniform higher education performance, budgeting, accounting, and reporting system.

*Sec. 2 was vetoed. See message at end of chapter.

Passed by the Senate April 24, 2009.

Passed by the House April 22, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Section 2, Substitute Senate Bill 5734 entitled:

"AN ACT Relating to tuition fees."

Section 2 of Substitute Senate Bill 5734 is identical to Section 3 in Engrossed Substitute House Bill 2344 that I signed yesterday. Signing two bills with identical sections may cause confusion, so I am vetoing this iteration of the performance audit requirement.

For this reason, I have vetoed Section 2 of Substitute Senate Bill 5734.

With the exception of Section 2, Substitute Senate Bill 5734 is approved."

CHAPTER 575

[Engrossed Substitute Senate Bill 5892]

STATE PURCHASED HEALTH CARE—PRESCRIPTION DRUGS

AN ACT Relating to authorizing state purchased health care programs to maximize appropriate prescription drug use in a cost-effective manner; amending RCW 69.41.190; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 69.41.190 and 2006 c 233 s 1 are each amended to read as follows:

(1)(a) Except as provided in subsection (2) of this section, any pharmacist filling a prescription under a state purchased health care program as defined in RCW 41.05.011(2) shall substitute, where identified, a preferred drug for any nonpreferred drug in a given therapeutic class, unless the endorsing practitioner has indicated on the prescription that the nonpreferred drug must be dispensed as written, or the prescription is for a refill of an antipsychotic, antidepressant, antiepileptic, chemotherapy, antiretroviral, or immunosuppressive drug, or for the refill of a immunomodulator/antiviral treatment for hepatitis C for which an established, fixed duration of therapy is prescribed for at least twenty-four weeks but no more than forty-eight weeks, in which case the pharmacist shall dispense the prescribed nonpreferred drug.

~~((2))~~ (b) When a substitution is made under (a) of this subsection ~~((1) of this section))~~, the dispensing pharmacist shall notify the prescribing practitioner of the specific drug and dose dispensed.

(2)(a) A state purchased health care program may impose limited restrictions on an endorsing practitioner's authority to write a prescription to dispense as written only under the following circumstances:

(i) There is statistical or clear data demonstrating the endorsing practitioner's frequency of prescribing dispensed as written for nonpreferred drugs varies significantly from the prescribing patterns of his or her peers;

(ii) The medical director of a state purchased health program has: (A) Presented the endorsing practitioner with data that indicates the endorsing practitioner's prescribing patterns vary significantly from his or her peers, (B) provided the endorsing practitioner an opportunity to explain the variation in his or her prescribing patterns to those of his or her peers, and (C) if the variation in prescribing patterns cannot be explained, provided the endorsing practitioner sufficient time to change his or her prescribing patterns to align with those of his or her peers; and

(iii) The restrictions imposed under (a) of this subsection (2) must be limited to the extent possible to reduce variation in prescribing patterns and shall remain in effect only until such time as the endorsing practitioner can demonstrate a reduction in variation in line with his or her peers.

(b) A state purchased health care program may immediately designate an available, less expensive, equally effective generic product in a previously reviewed drug class as a preferred drug, without first submitting the product to review by the pharmacy and therapeutics committee established pursuant to RCW 70.14.050.

(c) For a patient's first course of treatment within a therapeutic class of drugs, a state purchased health care program may impose limited restrictions on endorsing practitioners' authority to write a prescription to dispense as written, only under the following circumstances:

(i) There is a less expensive, equally effective therapeutic alternative generic product available to treat the condition;

(ii) The drug use review board established under WAC 388-530-4000 reviews and provides recommendations as to the appropriateness of the limitation;

(iii) Notwithstanding the limitation set forth in (c)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the brand name drug be prescribed as the first course of treatment;

(iv) The state purchased health care program may provide, where available, prescription, emergency room, diagnosis, and hospitalization history with the endorsing practitioner; and

(v) Specifically for antipsychotic restrictions, the state purchased health care program shall effectively guide good practice without interfering with the timeliness of clinical decision making. Department of social and health services prior authorization programs must provide for responses within twenty-four hours and at least a seventy-two hour emergency supply of the requested drug.

(d) If, within a therapeutic class, there is an equally effective therapeutic alternative over-the-counter drug available, a state purchased health care program may designate the over-the-counter drug as the preferred drug.

(e) A state purchased health care program may impose limited restrictions on endorsing practitioners' authority to prescribe pharmaceuticals to be dispensed as written for a purpose outside the scope of their approved labels only under the following circumstances:

(i) There is a less expensive, equally effective on-label product available to treat the condition;

(ii) The drug use review board established under WAC 388-530-4000 reviews and provides recommendations as to the appropriateness of the limitation; and

(iii) Notwithstanding the limitation set forth in (e)(ii) of this subsection (2), the endorsing practitioner shall have an opportunity to request as medically necessary, that the drug be prescribed for a covered off-label purpose.

(f) The provisions of this subsection related to the definition of medically necessary, prior authorization procedures and patient appeal rights shall be implemented in a manner consistent with applicable federal and state law.

(3) Notwithstanding the limitations in subsection (2) of this section, for refills for an antipsychotic, antidepressant, antiepileptic, chemotherapy, antiretroviral, or immunosuppressive drug, or for the refill of an immunomodulator antiviral treatment for hepatitis C for which an established, fixed duration of therapy is prescribed for at least twenty-four weeks by no more than forty-eight weeks, the pharmacist shall dispense the prescribed nonpreferred drug.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate April 24, 2009.

Passed by the House April 21, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 576

[Engrossed Substitute Senate Bill 6108]

STATE LOTTERY COMMISSION—POWERBALL

AN ACT Relating to allowing the state lottery commission to enter into an agreement to conduct an additional shared lottery game; and amending RCW 67.70.044 and 67.70.340.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 67.70.044 and 2002 c 349 s 2 are each amended to read as follows:

(1) Pursuant to RCW 67.70.040(1)(a), the commission may enter into the multistate agreement establishing a shared game lottery known as "The Big Game," that was entered into by party state lotteries in August 1996 and subsequently amended and a shared game lottery known as "Powerball."

(2) The shared game lottery account is created as a separate account outside the state treasury. The account is managed, maintained, and controlled by the

commission and consists of all revenues received from the sale of shared game lottery tickets or shares, and all other moneys credited or transferred to it from any other fund or source under law. The account is allotted according to chapter 43.88 RCW.

Sec. 2. RCW 67.70.340 and 2005 c 369 s 4 are each amended to read as follows:

(1) The legislature recognizes that creating a shared game lottery could result in less revenue being raised by the existing state lottery ticket sales. The legislature further recognizes that the two funds most impacted by this potential event are the student achievement fund and the education construction account. Therefore, it is the intent of the legislature to use some of the proceeds from the shared game lottery to make up the difference that the potential state lottery revenue loss would have on the student achievement fund and the education construction account. The legislature further intends to use some of the proceeds from the shared game lottery to fund programs and services related to problem and pathological gambling.

(2) The student achievement fund and the education construction account are expected to collectively receive one hundred two million dollars annually from state lottery games other than the shared game lottery. For fiscal year 2003 and thereafter, if the amount of lottery revenues earmarked for the student achievement fund and the education construction account is less than one hundred two million dollars, the commission, after making the transfer required under subsection (3) of this section, must transfer sufficient moneys from revenues derived from the shared game lottery into the student achievement fund and the education construction account to bring the total revenue up to one hundred two million dollars. The funds transferred from the shared game lottery account under this subsection must be divided between the student achievement fund and the education construction account in a manner consistent with RCW 67.70.240(3).

(3)(a) The commission shall transfer, from revenue derived from the shared game lottery, to the problem gambling account created in RCW 43.20A.892, an amount equal to the percentage specified in (b) of this subsection of net receipts. For purposes of this subsection, "net receipts" means the difference between (i) revenue received from the sale of lottery tickets or shares and revenue received from the sale of shared game lottery tickets or shares; and (ii) the sum of payments made to winners.

(b) In fiscal year 2006, the percentage to be transferred to the problem gambling account is one-tenth of one percent. In fiscal year 2007 and subsequent fiscal years, the percentage to be transferred to the problem gambling account is thirteen one-hundredths of one percent.

(4) The commission shall transfer the remaining net revenues, if any, derived from the shared game lottery "Powerball" authorized in section 1(1) of this act after the transfers pursuant to this section into the state general fund for the student achievement program under RCW 28A.505.220.

(5) The remaining net revenues, if any, in the shared game lottery account after the transfers pursuant to this section shall be deposited into the general fund.

Passed by the Senate April 24, 2009.

Passed by the House April 21, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 577

[Senate Bill 6121]

BIOTOXIN TESTING AND MONITORING—SURCHARGE

AN ACT Relating to the surcharge to fund biotoxin testing and monitoring; amending RCW 77.32.555; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 77.32.555 and 2005 c 416 s 1 are each amended to read as follows:

(1) In addition to the fees authorized in this chapter, the department shall include a surcharge to fund biotoxin testing and monitoring by the department of health of beaches used for recreational shellfishing, and to fund monitoring by the Olympic region harmful algal bloom program of the Olympic natural resources center at the University of Washington. A surcharge of three dollars applies to resident and nonresident shellfish and seaweed licenses as authorized by RCW 77.32.520(3) (a) and (b); a surcharge of two dollars applies to resident and nonresident adult combination licenses as authorized by RCW 77.32.470(2)(a); a surcharge of two dollars applies to annual resident and nonresident razor clam licenses as authorized by RCW 77.32.520(4); and a surcharge of one dollar applies to the three-day razor clam license authorized by RCW 77.32.520(5). Amounts collected from these surcharges must be deposited in the ~~((general fund—local account managed by the department of health, except that one hundred fifty thousand dollars per year shall be deposited in the general fund—local account managed by the University of Washington))~~ biotoxin account created in subsection (3) of this section.

~~((Unspent amounts from the surcharges deposited in the general fund—local accounts managed by the department of health and the University of Washington shall carry over to ensuing biennia to pay for the ongoing costs of the programs.))~~ (2) Any moneys from surcharges remaining in the general fund—local account after the 2007-2009 biennium must be transferred to the biotoxin account created in subsection (3) of this section and be credited to the appropriate institution. The department of health and the University of Washington shall, by December 1st of each year, provide a letter to the relevant legislative policy and fiscal committees on the status of expenditures. This letter shall include, but is not limited to, the annual appropriation amount, the amount not expended, account fund balance, and reasons for not spending the full annual appropriation.

(3) The biotoxin account is created in the state treasury to be administered by the department of health. All moneys received under subsection (1) of this section must be deposited in the account and used by the department of health and the University of Washington as required by subsection (1) of this section. Of the moneys deposited into the account, one hundred fifty thousand dollars per year must be made available to the University of Washington to implement

subsection (1) of this section. Moneys in the account may be spent only after appropriation.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2009.

Passed by the Senate April 20, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 578

[Senate Bill 6168]

STATE EDUCATION PROGRAMS—COST REDUCTIONS

AN ACT Relating to reducing costs in state elementary and secondary education programs; and amending RCW 28A.415.380, 28A.320.190, 28A.415.340, 28A.300.515, 28A.630.035, 28A.300.130, 28A.245.060, 28A.625.020, 28A.300.520, and 28A.320.125.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.415.380 and 2007 c 396 s 4 are each amended to read as follows:

(1) A mathematics and science instructional coach program is authorized, which shall consist of a coach development institute, coaching seminars, coaching activities in schools, and program evaluation.

(2) The office of the superintendent of public instruction shall develop a mathematics and science instructional coach program that includes an initial coach development experience for new coaches provided through an institute setting, coaching support seminars, and additional coach development services. The office shall draw upon the experiences of coaches in federally supported elementary literacy programs and other successful programs, research and policy briefs on adult professional development, and research that specifically addresses the instructional environments of middle, junior high, and high schools as well as the unique aspects of the fields of mathematics and science.

(3) The office of the superintendent of public instruction shall design the application process and select the program participants.

(4) Schools and school districts participating in the program shall carefully select the individuals to perform the role of mathematics or science instructional coach. Characteristics to be considered for a successful coach include:

(a) Expertise in content area;

(b) Expertise in various instructional methodologies and personalizing learning;

(c) Personal skills that include skilled listening, questioning, trust-building, and problem-solving;

(d) Understanding and appreciation for the differences in adult learners and student learners; and

(e) Capacity for strategic planning and quality program implementation.

(5) The role of the mathematics or science instructional coach is focused on supporting teachers as they apply knowledge, develop skills, polish techniques, and deepen their understanding of content and instructional practices. This work

takes a number of forms including: Individualized professional development, department-wide and school-wide professional development, guidance in student data interpretation, and using assessment to guide instruction. Each coach shall be assigned to two schools as part of the program.

(6) Program participants have the following responsibilities:

(a) Mathematics and science coaches shall participate in the coach development institute as well as in coaching support seminars that take place throughout the school year, practice coaching activities as guided by those articulated in the role of the coach in subsection (5) of this section, collect data, and participate in program evaluation activities as requested by the institute pursuant to subsection (7) of this section.

(b) School and district administrators in districts in which the mathematics and science coaches are practicing shall participate in program evaluation activities.

(7)(a) The Washington State University social and economic sciences research center shall conduct an evaluation of the mathematics and science instructional coach program in this section. Data shall be collected through various instruments including surveys, program and activity reports, student performance measures, observations, interviews, and other processes. Findings shall include an evaluation of the coach development institute, coaching support seminars, and other coach support activities; recommendations with regard to the characteristics required of the coaches; identification of changes in teacher instruction related to coaching activities; and identification of the satisfaction level with coaching activities as experienced by classroom teachers and administrators.

(b) The Washington State University social and economic sciences research center shall report its findings to the governor, the office of the superintendent of public instruction, and the education and fiscal committees of the legislature. An interim report is due November 1, 2008. The final report is due December 1, 2009.

(8) The mathematics and science instructional coach program in this section shall be implemented to the extent funds are available for that purpose.

Sec. 2. RCW 28A.320.190 and 2008 c 321 s 3 are each amended to read as follows:

(1) The extended learning opportunities program is created for eligible eleventh and twelfth grade students who are not on track to meet local or state graduation requirements as well as eighth grade students who ~~((may not be on track to meet the standard on the Washington assessment of student learning or))~~ need additional assistance in order to have the opportunity for a successful entry into high school. The program shall provide early notification of graduation status and information on education opportunities including preapprenticeship programs that are available.

(2) Under the extended learning opportunities program and to the extent funds are available for that purpose, districts shall make available to students in grade twelve who have failed to meet one or more local or state graduation requirements the option of continuing enrollment in the school district in accordance with RCW 28A.225.160. Districts are authorized to use basic education program funding to provide instruction to eligible students under RCW 28A.150.220(3).

(3) Under the extended learning (~~((opportunities))~~) opportunities program, instructional services for eligible students can occur during the regular school day, evenings, on weekends, or at a time and location deemed appropriate by the school district, including the educational service district, in order to meet the needs of these students. Instructional services provided under this section do not include services offered at private schools. Instructional services can include, but are not limited to, the following:

- (a) Individual or small group instruction;
- (b) Instruction in English language arts and/or mathematics that eligible students need to pass all or part of the Washington assessment of student learning;
- (c) Attendance in a public high school or public alternative school classes or at a skill center;
- (d) Inclusion in remediation programs, including summer school;
- (e) Language development instruction for English language learners;
- (f) Online curriculum and instructional support, including programs for credit retrieval and Washington assessment of student learning preparatory classes; and
- (g) Reading improvement specialists available at the educational service districts to serve eighth, eleventh, and twelfth grade educators through professional development in accordance with RCW 28A.415.350. The reading improvement specialist may also provide direct services to eligible students and those students electing to continue a fifth year in a high school program who are still struggling with basic reading skills.

****Sec. 3. RCW 28A.415.340 and 2007 c 402 s 1 are each amended to read as follows:***

(1) Research supports the value of quality school and school district leadership. Effective leadership is critical to improving student learning and transforming underperforming schools and school districts into world-class learning centers.

(2) A public-private partnership is established to develop, pilot, and implement, to the extent funds are available, the Washington state leadership academy to focus on the development and enhancement of personal leadership characteristics and the teaching of effective practices and skills demonstrated by school and district administrators who are successful managers and instructional leaders. It is the goal of the academy to provide state-of-the-art programs and services across the state.

(3) Academy partners include the state superintendent and principal professional associations, private nonprofit foundations, institutions of higher education with approved educator preparation programs, the professional educator standards board, the office of the superintendent of public instruction, educational service districts, the state school business officers' association, and other entities identified by the partners. The partners shall designate an independent organization to act as the fiscal agent for the academy and shall establish a board of directors to oversee and direct the academy's finances, services, and programs. The academy shall be supported by a national research institution with demonstrated expertise in educational leadership.

(4) Initial development of academy course content and activities shall be supported by private funds. Implementation of the Washington state leadership academy is subject to the availability of funds. Initial tasks of the academy are to:

(a) Finalize a comprehensive design of the academy and the development of the curriculum frameworks for a comprehensive leadership development program that includes coursework, practicum, mentoring, and evaluation components;

(b) Develop curriculum for individual leadership topics;

(c) Pilot the curriculum and all program components; and

(d) Modify the comprehensive design, curriculum coursework, practicum, and mentoring programs based on the research results gained from pilot activities.

(5) The board of directors shall report semiannually to the superintendent of public instruction on the financial contributions provided by foundations and other organizations to support the work of the academy. The board of directors shall report by December 31st each year to the superintendent of public instruction on the programs and services provided, numbers of participants in the various academy activities, evaluation activities regarding program and participant outcomes, and plans for the academy's future development.

(6) The board of directors shall make recommendations for changes in superintendent and principal preparation programs, the administrator licensure system, and continuing education requirements.

*Sec. 3 was vetoed. See message at end of chapter.

*Sec. 4. RCW 28A.300.515 and 2007 c 396 s 15 are each amended to read as follows:

To the extent funds are available for this purpose, the superintendent of public instruction shall provide support for statewide coordination for math, science, and technology, including employing a statewide director for math, science, and technology. The duties of the director shall include, but not be limited to:

(1) Within funds specifically appropriated therefor, obtain a statewide license, or otherwise obtain and disseminate, an interactive, project-based high school and middle school technology curriculum that includes a comprehensive professional development component for teachers and, if possible, counselors, and also includes a systematic program evaluation. The curriculum must be distributed to all school districts, or as many as feasible, by the 2007-08 school year;

(2) Within funds specifically appropriated therefor, supporting a public-private partnership to assist school districts with implementing an ongoing, inquiry-based science program that is based on a research-based model of systemic reform and aligned with the Washington state science grade level expectations;

(3) Within funds specifically appropriated therefor, supporting a public-private partnership to provide enriching opportunities in mathematics, engineering, and science for underrepresented students in grades kindergarten through twelve using exemplary materials and instructional approaches;

(4) In an effort to increase precollege and prework interest in math, science, and technology fields, in collaboration with the community and technical colleges, the four-year institutions of higher education, and the workforce training and education coordinating board, conducting outreach efforts to attract middle and high school students to careers in math, science, and technology and to educate students about the coursework that is necessary to be adequately prepared to succeed in these fields;

(5) Coordinating youth opportunities in math, science, and technology, including facilitating student participation in school clubs, state-level fairs, national competitions, and encouraging partnerships between students and university faculty or industry to facilitate such student participation;

(6) Developing and maintaining public-private partnerships to generate business and industry assistance to accomplish the following:

(a) Increasing student engagement and career awareness, including increasing student participation in the youth opportunities in subsection (5) of this section;

(b) Creation and promotion of student scholarships, internships, and apprenticeships;

(c) Provision of relevant teacher experience and training, including on-the-job professional development opportunities;

(d) Upgrading kindergarten through twelfth grade school equipment and facilities to support high quality math, science, and technology programs;

(7) Assembling a cadre of inspiring speakers employed or experienced in the relevant fields to speak to kindergarten through twelfth grade students to demonstrate the breadth of the opportunities in the relevant fields as well as share the types of coursework that ~~((is rare))~~ are necessary for someone to be successful in the relevant field;

(8) Providing technical assistance to schools and school districts, including working with counselors in support of the math, science, and technology programs; and

(9) Reporting annually to the legislature about the actions taken to provide statewide coordination for math, science, and technology.

*Sec. 4 was vetoed. See message at end of chapter.

Sec. 5. RCW 28A.630.035 and 2006 c 113 s 3 are each amended to read as follows:

(1) The legislature finds that the complexity of modern political life has created a demand for informed citizens who are willing not only to vote, but also to participate in the elections process.

(2) The purpose of this section is to create a pilot project to help graduate students who are better voters, better citizens, and who are ready to take an informed and responsible place in society.

(3) The office of the superintendent of public instruction, within funds available for this purpose, shall work with selected county auditors' offices to develop an interactive high school civics curriculum to help students learn how to become informed citizens. The curriculum shall meet the requirements for the office of the superintendent of public instruction's classroom-based assessments. Staff from the office of the superintendent of public instruction shall work directly in the curriculum development.

(4) Counties (~~shall~~) may apply to, and be selected by, the office of the superintendent of public instruction to participate in the pilot project under this section. A maximum of fifteen counties may participate.

(5) The curriculum shall include, but not be limited to:

(a) Local government organization;

(b) A discussion of ballot measures, initiatives, and referenda;

(c) The role of the precinct in defining ballots, candidates, and political activities;

(d) The roles and responsibilities of taxing jurisdictions in establishing ballot measures; and

(e) The work of conducting elections.

(6) The study may include in the curriculum civics essential academic learning requirements relating to examining representative government and citizen participation and analyzing the purposes and organization of government and laws.

(7) To the extent funds are available, a curriculum guide shall be developed that will help teachers and students maximize the learning of key issues in civics, and shall include strategies for helping students develop voters' guide information for ballot issues and candidates who appear on the ballot. This guide should incorporate ideas from other Washington state civics education programs, such as "We the People" and "Project Citizen." The guide should also present ideas for sharing the results of an election with the larger community and with local government officials in productive, meaningful ways.

(8) In addition to the required components of the pilot project under this section, other activities may be included in the project, such as:

(a) Conducting mock county elections at schools; and

(b) Preparing an advisory issue on which the school would vote, including issue preparation, conducting the election, and preparing a presentation to a local government official on the results of the advisory issue.

(9) The pilot project shall operate for the 2006-07 and 2007-08 school years.

~~((10) Funds for the pilot project shall be made available to the office of the superintendent of public instruction for a contract position in civics curriculum and for support costs for soliciting and implementing volunteer participation.~~

~~((11))~~ The office of the superintendent of public instruction shall adopt rules to implement this section, including rules specifying selection criteria for counties that wish to participate.

~~((12))~~ (11) The superintendent of public instruction shall provide an interim report to appropriate committees of the legislature by December 1, 2008, and a final report by December 1, 2009, detailing the results of the project and budget recommendations for expansion, if appropriate.

~~((13))~~ (12) This section expires January 31, 2010.

Sec. 6. RCW 28A.300.130 and 2008 c 165 s 1 are each amended to read as follows:

(1) To facilitate access to information and materials on educational improvement and research, the superintendent of public instruction, to the extent funds are appropriated, shall establish the center for the improvement of student learning. The center shall work in conjunction with parents, educational service districts, institutions of higher education, and education, parent, community, and business organizations.

(2) The center, to the extent funds are appropriated for this purpose, and in conjunction with other staff in the office of the superintendent of public instruction, shall:

(a) Serve as a clearinghouse for information regarding successful educational improvement and parental involvement programs in schools and districts, and information about efforts within institutions of higher education in the state to support educational improvement initiatives in Washington schools and districts;

(b) Provide best practices research that can be used to help schools develop and implement: Programs and practices to improve instruction; systems to analyze student assessment data, with an emphasis on systems that will combine the use of state and local data to monitor the academic progress of each and every student in the school district; comprehensive, school-wide improvement plans; school-based shared decision-making models; programs to promote lifelong learning and community involvement in education; school-to-work transition programs; programs to meet the needs of highly capable students; programs and practices to meet the needs of students with disabilities; programs and practices to meet the diverse needs of students based on gender, racial, ethnic, economic, and special needs status; research, information, and technology systems; and other programs and practices that will assist educators in helping students learn the essential academic learning requirements;

(c) Develop and maintain an internet web site to increase the availability of information, research, and other materials;

(d) Work with appropriate organizations to inform teachers, district and school administrators, and school directors about the waivers available and the broadened school board powers under RCW 28A.320.015;

(e) Provide training and consultation services, including conducting regional summer institutes;

(f) Identify strategies for improving the success rates of ethnic and racial student groups and students with disabilities, with disproportionate academic achievement;

(g) Work with parents, teachers, and school districts in establishing a model absentee notification procedure that will properly notify parents when their student has not attended a class or has missed a school day. The office of the superintendent of public instruction shall consider various types of communication with parents including, but not limited to, electronic mail, phone, and postal mail; and

(h) Perform other functions consistent with the purpose of the center as prescribed in subsection (1) of this section.

(3) The superintendent of public instruction shall select and employ a director for the center.

(4) The superintendent may enter into contracts with individuals or organizations including but not limited to: School districts; educational service districts; educational organizations; teachers; higher education faculty; institutions of higher education; state agencies; business or community-based organizations; and other individuals and organizations to accomplish the duties and responsibilities of the center. In carrying out the duties and responsibilities of the center, the superintendent, whenever possible, shall use practitioners to assist agency staff as well as assist educators and others in schools and districts.

(5) The office of the superintendent of public instruction shall report to the legislature by September 1, 2007, and thereafter biennially, regarding the effectiveness of the center for the improvement of student learning, how the services provided by the center for the improvement of student learning have been used and by whom, and recommendations to improve the accessibility and application of knowledge and information that leads to improved student learning and greater family and community involvement in the public education system.

Sec. 7. RCW 28A.245.060 and 2007 c 463 s 7 are each amended to read as follows:

To the extent funds are available, the superintendent of public instruction shall assign at least one full-time equivalent staff position within the office of the superintendent of public instruction to serve as the director of skill centers.

***Sec. 8.** RCW 28A.625.020 and 1991 c 255 s 1 are each amended to read as follows:

(1) *The superintendent of public instruction shall establish an annual award program for excellence in education to recognize teachers, principals, administrators, classified staff, school district superintendents, and school boards for their leadership, contributions, and commitment to education. The program shall recognize annually:*

~~((4))~~ (a) *Five teachers from each congressional district of the state. One individual must be an elementary level teacher, one must be a junior high or middle school level teacher, and one must be a secondary level teacher. Teachers shall include educational staff associates;*

~~((2))~~ (b) *Five principals or administrators from the state;*

~~((3))~~ (c) *One school district superintendent from the state;*

~~((4))~~ (d) *One school district board of directors from the state; and*

~~((5))~~ (e) *Three classified staff from each congressional district of the state.*

(2) *Implementation of the program in this section is contingent on the provision of funds available for this purpose.*

***Sec. 8 was vetoed. See message at end of chapter.**

Sec. 9. RCW 28A.300.520 and 2007 c 384 s 5 are each amended to read as follows:

(1) The superintendent of public instruction shall review current policies and assess the adequacy and availability of programs targeted at children who have a parent who is incarcerated in a department of corrections facility. The superintendent of public instruction shall adopt policies that support the children of incarcerated parents and meet their needs with the goal of facilitating normal child development, including maintaining adequate academic progress, while reducing intergenerational incarceration.

(2) To the extent funds are available, the superintendent shall conduct the following activities to assist in implementing the requirements of subsection (1) of this section:

(a) Gather information and data on the students who are the children of inmates incarcerated in department of corrections facilities; and

(b) Participate in the children of incarcerated parents advisory committee and report information obtained under this section to the advisory committee.

Sec. 10. RCW 28A.320.125 and 2007 c 406 s 1 are each amended to read as follows:

(1) The legislature considers it to be a matter of public safety for public schools and staff to have current safe school plans and procedures in place, fully consistent with federal law. The legislature further finds and intends, by requiring safe school plans to be in place, that school districts will become eligible for federal assistance. The legislature further finds that schools are in a position to serve the community in the event of an emergency resulting from natural disasters or man-made disasters.

(2) Schools and school districts shall consider the guidance provided by the superintendent of public instruction, including the comprehensive school safety checklist and the model comprehensive safe school plans that include prevention, intervention, all hazard/crisis response, and postcrisis recovery, when developing their own individual comprehensive safe school plans. Each school district shall adopt, no later than September 1, 2008, and implement a safe school plan consistent with the school mapping information system pursuant to RCW 36.28A.060. The plan shall:

- (a) Include required school safety policies and procedures;
- (b) Address emergency mitigation, preparedness, response, and recovery;
- (c) Include provisions for assisting and communicating with students and staff, including those with special needs or disabilities;
- (d) Use the training guidance provided by the Washington emergency management division of the state military department in collaboration with the Washington state office of the superintendent of public instruction school safety center and the school safety center advisory committee;
- (e) Require the building principal to be certified on the incident command system;
- (f) Take into account the manner in which the school facilities may be used as a community asset in the event of a community-wide emergency; and
- (g) Set guidelines for requesting city or county law enforcement agencies, local fire departments, emergency service providers, and county emergency management agencies to meet with school districts and participate in safety-related drills (~~(annually)~~).

(3) To the extent funds are available, school districts shall annually:

- (a) Review and update safe school plans in collaboration with local emergency response agencies;
- (b) Conduct an inventory of all hazardous materials;
- (c) Update information on the school mapping information system to reflect current staffing and updated plans, including:
 - (i) Identifying all staff members who are trained on the national incident management system, trained on the incident command system, or are certified on the incident command system; and
 - (ii) Identifying school transportation procedures for evacuation, to include bus staging areas, evacuation routes, communication systems, parent-student reunification sites, and secondary transportation agreements consistent with the school mapping information system; and
- (d) Provide information to all staff on the use of emergency supplies and notification and alert procedures.

(4) To the extent funds are available, school districts ((are required to)) shall annually record and report on the information and activities required in subsection (3) of this section to the Washington association of sheriffs and police chiefs.

(5) School districts are encouraged to work with local emergency management agencies and other emergency responders to conduct one tabletop exercise, one functional exercise, and two full-scale exercises within a four-year period.

(6) Schools shall conduct no less than one safety-related drill each month that school is in session. Schools shall complete no less than one drill using the school mapping information system, one drill for lockdowns, one drill for shelter-in-place, and six drills for fire evacuation in accordance with the state fire code. Schools should consider drills for earthquakes, tsunamis, or other high-risk local events. Schools shall document the date and time of such drills. This subsection is intended to satisfy all federal requirements for comprehensive school emergency drills and evacuations.

(7) Educational service districts are encouraged to apply for federal emergency response and crisis management grants with the assistance of the superintendent of public instruction and the Washington emergency management division of the state military department.

(8) The superintendent of public instruction may adopt rules to implement provisions of this section. These rules may include, but are not limited to, provisions for evacuations, lockdowns, or other components of a comprehensive safe school plan.

Passed by the Senate April 20, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 20, 2009.

Note: Governor's explanation of partial veto is as follows:

"I have approved, except for Sections 3, 4 and 8, Senate Bill 6168 entitled:

"AN ACT Relating to reducing costs in state elementary and secondary education programs."

Sections 3 and 4 refer to the availability of funds as the determinate for whether these important programs are implemented. Because all programs are dependent on legislative appropriations, the addition of this language has no substantive effect. I am concerned, however, that future budget writers might erroneously conclude that these programs are in a different status than other programs and consider not funding them solely because of the addition of this new language. As a result, I have vetoed Sections 3 and 4 of Senate Bill 6168.

Section 8 of Senate Bill 6168 amends RCW 28A.625.020, Office of Superintendent of Public Instruction annual recognition program. RCW 28A.625.020 is also repealed by Section 20(6) of Senate Bill 5889 which I signed earlier today. Therefore, I am not approving Section 8 of Senate Bill 6168 to correct a potential double amendment and conflicting policy.

For these reasons, I have vetoed Sections 3, 4 and 8 of Senate Bill 6168.

With the exception of Sections 3, 4 and 8, Senate Bill 6168 is approved."

CHAPTER 579

[Senate Bill 6179]

CHEMICAL DEPENDENCY SPECIALIST SERVICES

AN ACT Relating to chemical dependency specialist services; and amending RCW 70.96A.037.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.96A.037 and 2005 c 504 s 305 are each amended to read as follows:

(1) The department of social and health services shall contract for chemical dependency specialist services at ~~((each))~~ division of children and family services offices to enhance the timeliness and quality of child protective services assessments and to better connect families to needed treatment services.

(2) The chemical dependency specialist's duties may include, but are not limited to: Conducting on-site chemical dependency screening and assessment, facilitating progress reports to department social workers, in-service training of department social workers and staff on substance abuse issues, referring clients from the department to treatment providers, and providing consultation on cases to department social workers.

(3) The department of social and health services shall provide training in and ensure that each case-carrying social worker is trained in uniform screening for mental health and chemical dependency.

Passed by the Senate April 20, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 580

[Engrossed Substitute Senate Bill 6180]

LONG-TERM CARE WORKERS—TRAINING—BACKGROUND CHECKS

AN ACT Relating to the training and background checks of long-term care workers; amending RCW 74.39A.009, 74.39A.055, 18.20.125, 18.88B.030, 43.20A.710, 43.43.837, 74.39A.050, 74.39A.095, 74.39A.260, 74.39A.073, 74.39A.075, 74.39A.340, 74.39A.350, 74.39A.085, 18.88B.040, 18.88A.115, 18.88B.050, and 18.88B.020; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.39A.009 and 2009 c 2 s 2 (Initiative Measure No. 1029) are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adult family home" means a home licensed under chapter 70.128 RCW.

(2) "Adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.020 to provide personal care services.

(3) "Assisted living services" means services provided by a boarding home that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication

administration services, and the resident is housed in a private apartment-like unit.

(4) "Boarding home" means a facility licensed under chapter 18.20 RCW.

(5) "Core competencies" means basic training topics, including but not limited to, communication skills, worker self-care, problem solving, maintaining dignity, consumer directed care, cultural sensitivity, body mechanics, fall prevention, skin and body care, long-term care worker roles and boundaries, supporting activities of daily living, and food preparation and handling.

(6) "Cost-effective care" means care provided in a setting of an individual's choice that is necessary to promote the most appropriate level of physical, mental, and psychosocial well-being consistent with client choice, in an environment that is appropriate to the care and safety needs of the individual, and such care cannot be provided at a lower cost in any other setting. But this in no way precludes an individual from choosing a different residential setting to achieve his or her desired quality of life.

(7) "Department" means the department of social and health services.

(8) "Developmental disability" has the same meaning as defined in RCW 71A.10.020.

(9) "Direct care worker" means a paid caregiver who provides direct, hands-on personal care services to persons with disabilities or the elderly requiring long-term care.

(10) "Enhanced adult residential care" means services provided by a boarding home that is licensed under chapter 18.20 RCW and that has a contract with the department under RCW 74.39A.010 to provide personal care services, intermittent nursing services, and medication administration services.

(11) "Functionally disabled person" or "person who is functionally disabled" is synonymous with chronic functionally disabled and means a person who because of a recognized chronic physical or mental condition or disease, or developmental disability, including chemical dependency, is impaired to the extent of being dependent upon others for direct care, support, supervision, or monitoring to perform activities of daily living. "Activities of daily living", in this context, means self-care abilities related to personal care such as bathing, eating, using the toilet, dressing, and transfer. Instrumental activities of daily living may also be used to assess a person's functional abilities as they are related to the mental capacity to perform activities in the home and the community such as cooking, shopping, house cleaning, doing laundry, working, and managing personal finances.

(12) "Home and community services" means adult family homes, in-home services, and other services administered or provided by contract by the department directly or through contract with area agencies on aging or similar services provided by facilities and agencies licensed by the department.

(13) "Home care aide" means a long-term care worker who has obtained certification as a home care aide by the department of health.

(14) "Individual provider" is defined according to RCW 74.39A.240.

(15) "Long-term care" is synonymous with chronic care and means care and supports delivered indefinitely, intermittently, or over a sustained time to persons of any age disabled by chronic mental or physical illness, disease, chemical dependency, or a medical condition that is permanent, not reversible or curable, or is long-lasting and severely limits their mental or physical capacity for self-

care. The use of this definition is not intended to expand the scope of services, care, or assistance by any individuals, groups, residential care settings, or professions unless otherwise expressed by law.

(16)(a) "Long-term care workers for the elderly or persons with disabilities" or "long-term care workers" includes all persons who are long-term care workers for the elderly or persons with disabilities, including but not limited to individual providers of home care services, direct care employees of home care agencies, providers of home care services to persons with developmental disabilities under Title 71 RCW, all direct care workers in state-licensed boarding homes, assisted living facilities, and adult family homes, respite care providers, community residential service providers, and any other direct care worker providing home or community-based services to the elderly or persons with functional disabilities or developmental disabilities.

(b) "Long-term care workers" do not include: (i) Persons employed ~~((#))~~ by the following facilities or agencies: Nursing homes subject to chapter 18.51 RCW, hospitals or other acute care settings, residential habilitation centers under chapter 71A.20 RCW, facilities certified under 42 CFR, Part 483, hospice agencies subject to chapter 70.127 RCW, adult day care centers, and adult day health care centers; or (ii) persons who are not paid by the state or by a private agency or facility licensed by the state to provide personal care services.

(17) "Nursing home" means a facility licensed under chapter 18.51 RCW.

(18) "Personal care services" means physical or verbal assistance with activities of daily living and instrumental activities of daily living provided because of a person's functional disability.

(19) "Population specific competencies" means basic training topics unique to the care needs of the population the long-term care worker is serving, including but not limited to, mental health, dementia, developmental disabilities, young adults with physical disabilities, and older adults.

(20) "Qualified instructor" means a registered nurse or other person with specific knowledge, training, and work experience in the provision of direct, hands-on personal care and other assistance services to the elderly or persons with disabilities requiring long-term care.

(21) "Secretary" means the secretary of social and health services.

(22) "Secretary of health" means the secretary of health or the secretary's designee.

(23) "Training partnership" means a joint partnership or trust that includes the office of the governor and the exclusive bargaining representative of individual providers under RCW 74.39A.270 with the capacity to provide training, peer mentoring, and workforce development, or other services to individual providers.

(24) "Tribally licensed boarding home" means a boarding home licensed by a federally recognized Indian tribe which home provides services similar to boarding homes licensed under chapter 18.20 RCW.

Sec. 2. RCW 74.39A.055 and 2009 c 2 s 3 (Initiative Measure No. 1029) are each amended to read as follows:

(1) All long-term care workers for the elderly or persons with disabilities hired after January 1, ~~((2010))~~ 2012, shall be screened through state and federal background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with

vulnerable persons. These background checks shall include checking against the federal bureau of investigation fingerprint identification records system and against the national sex offenders registry or their successor programs. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.

(2) To allow the department of health to satisfy its certification responsibilities under chapter 18.88B RCW, the department shall share ((this information)) state and federal background check results with the department of health. Neither department may share the federal background check results with any other state agency or person.

(3) The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(4) The department shall adopt rules to implement the provisions of this section by August 1, ((2009)) 2010.

Sec. 3. RCW 18.20.125 and 2004 c 140 s 4 are each amended to read as follows:

(1) Inspections must be outcome based and responsive to resident complaints and based on a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to facilities, residents, and other interested parties. This includes that when conducting licensing inspections, the department shall interview an appropriate percentage of residents, family members, and advocates in addition to interviewing appropriate staff.

(2) Prompt and specific enforcement remedies shall also be implemented without delay, consistent with RCW 18.20.190, for facilities found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.

(3)(a) To the extent funding is available, the licensee, administrator, and their staff should be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable adults. Employees may be provisionally hired pending the results of the background check if they have been given three positive references.

(b) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(4) No licensee, administrator, or staff, or prospective licensee, administrator, or staff, with a stipulated finding of fact, conclusion of law, and agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority, a court of law, or entered into the state registry finding him or her guilty of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

Sec. 4. RCW 18.88B.030 and 2009 c 2 s 6 (Initiative Measure No. 1029) are each amended to read as follows:

(1) Effective January 1, ~~((2010))~~ 2011, except as provided in RCW 18.88B.040, the department of health shall require that all long-term care workers successfully complete a certification examination. Any long-term care worker failing to make the required grade for the examination will not be certified as a home care aide.

(2) The department of health, in consultation with consumer and worker representatives, shall develop a home care aide certification examination to evaluate whether an applicant possesses the skills and knowledge necessary to practice competently. Unless excluded by RCW 18.88B.040 (1) and (2), only those who have completed the training requirements in RCW 74.39A.073 shall be eligible to sit for this examination.

(3) The examination shall include both a skills demonstration and a written or oral knowledge test. The examination papers, all grading of the papers, and records related to the grading of skills demonstration shall be preserved for a period of not less than one year. The department of health shall establish rules governing the number of times and under what circumstances individuals who have failed the examination may sit for the examination, including whether any intermediate remedial steps should be required.

(4) All examinations shall be conducted by fair and wholly impartial methods. The certification examination shall be administered and evaluated by the department of health or by a contractor to the department of health that is neither an employer of long-term care workers or private contractors providing training services under this chapter.

(5) The department of health has the authority to:

(a) Establish forms, procedures, and examinations necessary to certify home care aides pursuant to this chapter;

(b) Hire clerical, administrative, and investigative staff as needed to implement this section;

(c) Issue certification as a home care aide to any applicant who has successfully completed the home care aide examination;

(d) Maintain the official record of all applicants and persons with certificates;

(e) Exercise disciplinary authority as authorized in chapter 18.130 RCW; and

(f) Deny certification to applicants who do not meet training, competency examination, and conduct requirements for certification.

(6) The department of health shall adopt rules by August 1, ~~((2009))~~ 2010, that establish the procedures, including criteria for reviewing an applicant's state and federal background checks, and examinations necessary to carry this section into effect.

Sec. 5. RCW 43.20A.710 and 2001 c 296 s 5 are each amended to read as follows:

(1) The secretary shall investigate the conviction records, pending charges and disciplinary board final decisions of:

(a) Any current employee or applicant seeking or being considered for any position with the department who will or may have unsupervised access to children, vulnerable adults, or individuals with mental illness or developmental

disabilities. This includes, but is not limited to, positions conducting comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(b) Individual providers who are paid by the state and providers who are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW; and

(c) Individuals or businesses or organizations for the care, supervision, case management, or treatment of children, ~~((developmentally disabled))~~ persons with developmental disabilities, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, ~~((18.48,))~~ 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW.

(2) The investigation may include an examination of state and national criminal identification data. The secretary shall use the information solely for the purpose of determining the character, suitability, and competence of these applicants.

(3) Except as provided in subsection (4) of this section, an individual provider or home care agency provider who has resided in the state less than three years before applying for employment involving unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must be fingerprinted for the purpose of investigating conviction records ((both)) through both the Washington state patrol and the federal bureau of investigation. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110. However, this subsection does not supersede RCW 74.15.030(2)(b).

(4) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055, except that the department may require a background check at any time under RCW 43.43.837. For the purposes of this subsection, "background check" includes, but is not limited to, a fingerprint check submitted for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.

(5) An individual provider or home care agency provider hired to provide in-home care for and having unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must have no conviction for a disqualifying crime under RCW 43.43.830 and 43.43.842. An individual or home care agency provider must also have no conviction for a crime relating to drugs as defined in RCW 43.43.830. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110.

~~((5))~~ (6) The secretary shall provide the results of the state background check on long-term care workers, including individual providers, to the persons hiring them or to their legal guardians, if any, for their determination of the character, suitability, and competence of the applicants. If the person elects to

hire or retain an individual provider after receiving notice from the department that the applicant has a conviction for an offense that would disqualify the applicant from having unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, then the secretary shall deny payment for any subsequent services rendered by the disqualified individual provider.

~~((6))~~ (7) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

Sec. 6. RCW 43.43.837 and 2007 c 387 s 1 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:

(a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;

(b) Is an individual residing in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department to provide services to children or people with developmental disabilities under RCW 74.15.030; or

(c) Is an applicant or service provider providing in-home services funded by:

(i) Medicaid personal care under RCW 74.09.520;

(ii) Community options program entry system waiver services under RCW 74.39A.030;

(iii) Chore services under RCW 74.39A.110; or

(iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department.

(2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(3) The secretary shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law.

~~((3))~~ (4) Any secure facility operated by the department under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.

~~((4))~~ (5) Service providers and service provider applicants who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

(a) A fingerprint-based background check is pending; and
 (b) The applicant or service provider is not disqualified based on the immediate result of the background check.

~~((5))~~ (6) Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department for applicants or service providers providing:

(a) Services to people with a developmental disability under RCW 74.15.030;

(b) In-home services funded by medicaid personal care under RCW 74.09.520;

(c) Community options program entry system waiver services under RCW 74.39A.030;

(d) Chore services under RCW 74.39A.110;

(e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department;

(f) Services in, or to residents of, a secure facility under RCW 71.09.115; and

(g) Foster care as required under RCW 74.15.030.

~~((6))~~ (7) Service providers licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.

~~((7))~~ (8) Children's administration service providers licensed under RCW 74.15.030 may not pass on the cost of the background check fees to their applicants unless the individual is determined to be disqualified due to the background information.

~~((8))~~ (9) The department shall develop rules identifying the financial responsibility of service providers, applicants, and the department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

~~((9))~~ (10) For purposes of this section, unless the context plainly indicates otherwise:

(a) "Applicant" means a current or prospective department or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual who will or may have unsupervised access because of the nature of the work or services he or she provides. "Applicant" includes but is not limited to any individual who will or may have unsupervised access and is:

(i) Applying for a license or certification from the department;

(ii) Seeking a contract with the department or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer;

(iv) An individual that a department client or guardian of a department client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department for services rendered; or

(v) A department applicant who will or may work in a department-covered position.

(b) "Authorized" means the department grants an applicant, home, or facility permission to:

- (i) Conduct licensing, certification, or contracting activities;
 - (ii) Have unsupervised access to vulnerable adults, juveniles, and children;
 - (iii) Receive payments from a department program; or
 - (iv) Work or serve in a department-covered position.
- (c) "Department" means the department of social and health services.

(d) "Secretary" means the secretary of the department of social and health services.

(e) "Secure facility" has the meaning provided in RCW 71.09.020.

(f) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department to provide services to vulnerable adults, juveniles, or children. "Service provider" includes individuals whom a department client or guardian of a department client may choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department for services rendered. "Service provider" does not include those certified under chapter 70.96A RCW.

Sec. 7. RCW 74.39A.050 and 2009 c 2 s 14 (Initiative Measure No. 1029) are each amended to read as follows:

The department's system of quality improvement for long-term care services shall use the following principles, consistent with applicable federal laws and regulations:

(1) The system shall be client-centered and promote privacy, independence, dignity, choice, and a home or home-like environment for consumers consistent with chapter 392, Laws of 1997.

(2) The goal of the system is continuous quality improvement with the focus on consumer satisfaction and outcomes for consumers. This includes that when conducting licensing or contract inspections, the department shall interview an appropriate percentage of residents, family members, resident case managers, and advocates in addition to interviewing providers and staff.

(3) Providers should be supported in their efforts to improve quality and address identified problems initially through training, consultation, technical assistance, and case management.

(4) The emphasis should be on problem prevention both in monitoring and in screening potential providers of service.

(5) Monitoring should be outcome based and responsive to consumer complaints and based on a clear set of health, quality of care, and safety standards that are easily understandable and have been made available to providers, residents, and other interested parties.

(6) Prompt and specific enforcement remedies shall also be implemented without delay, pursuant to RCW 74.39A.080, RCW 70.128.160, chapter 18.51 RCW, or chapter 74.42 RCW, for providers found to have delivered care or failed to deliver care resulting in problems that are serious, recurring, or uncorrected, or that create a hazard that is causing or likely to cause death or serious harm to one or more residents. These enforcement remedies may also include, when appropriate, reasonable conditions on a contract or license. In the selection of remedies, the safety, health, and well-being of residents shall be of paramount importance.

(7) All long-term care workers shall be screened through background checks in a uniform and timely manner to ensure that they do not have a criminal history that would disqualify them from working with vulnerable persons. Long-term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055. This information will be shared with the department of health in accordance with RCW 74.39A.055 to advance the purposes of chapter 2, Laws of 2009.

(8) No provider, or its staff, or long-term care worker, or prospective provider or long-term care worker, with a stipulated finding of fact, conclusion of law, an agreed order, or finding of fact, conclusion of law, or final order issued by a disciplining authority, a court of law, or entered into a state registry finding him or her guilty of abuse, neglect, exploitation, or abandonment of a minor or a vulnerable adult as defined in chapter 74.34 RCW shall be employed in the care of and have unsupervised access to vulnerable adults.

(9) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information will also be shared with the department of health to advance the purposes of chapter 2, Laws of 2009.

(10) Until December 31, ~~((2009))~~ 2010, individual providers and home care agency providers must satisfactorily complete department-approved orientation, basic training, and continuing education within the time period specified by the department in rule. The department shall adopt rules by March 1, 2002, for the implementation of this section. The department shall deny payment to an individual provider or a home care provider who does not complete the training requirements within the time limit specified by the department by rule.

(11) Until December 31, ~~((2009))~~ 2010, in an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(12) The department shall create an approval system by March 1, 2002, for those seeking to conduct department-approved training.

(13) The department shall establish, by rule, background checks and other quality assurance requirements for long-term care workers who provide in-home services funded by medicaid personal care as described in RCW 74.09.520, community options program entry system waiver services as described in RCW 74.39A.030, or chore services as described in RCW 74.39A.110 that are equivalent to requirements for individual providers. Long-term care workers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(14) Under existing funds the department shall establish internally a quality improvement standards committee to monitor the development of standards and to suggest modifications.

(15) Within existing funds, the department shall design, develop, and implement a long-term care training program that is flexible, relevant, and qualifies towards the requirements for a nursing assistant certificate as established under chapter 18.88A RCW. This subsection does not require completion of the nursing assistant certificate training program by providers or their staff. The long-term care teaching curriculum must consist of a fundamental module, or modules, and a range of other available relevant training modules that provide the caregiver with appropriate options that assist in meeting the resident's care needs. Some of the training modules may include, but are not limited to, specific training on the special care needs of persons with developmental disabilities, dementia, mental illness, and the care needs of the elderly. No less than one training module must be dedicated to workplace violence prevention. The nursing care quality assurance commission shall work together with the department to develop the curriculum modules. The nursing care quality assurance commission shall direct the nursing assistant training programs to accept some or all of the skills and competencies from the curriculum modules towards meeting the requirements for a nursing assistant certificate as defined in chapter 18.88A RCW. A process may be developed to test persons completing modules from a caregiver's class to verify that they have the transferable skills and competencies for entry into a nursing assistant training program. The department may review whether facilities can develop their own related long-term care training programs. The department may develop a review process for determining what previous experience and training may be used to waive some or all of the mandatory training. The department of social and health services and the nursing care quality assurance commission shall work together to develop an implementation plan by December 12, 1998.

Sec. 8. RCW 74.39A.095 and 2004 c 141 s 1 are each amended to read as follows:

(1) In carrying out case management responsibilities established under RCW 74.39A.090 for consumers who are receiving services under the medicaid personal care, community options programs entry system or chore services program through an individual provider, each area agency on aging shall provide oversight of the care being provided to consumers receiving services under this section to the extent of available funding. Case management responsibilities incorporate this oversight, and include, but are not limited to:

(a) Verification that any individual provider who has not been referred to a consumer by the authority (~~established under chapter 3, Laws of 2002~~) has met any training requirements established by the department;

(b) Verification of a sample of worker time sheets;

(c) Monitoring the consumer's plan of care to verify that it adequately meets the needs of the consumer, through activities such as home visits, telephone contacts, and responses to information received by the area agency on aging indicating that a consumer may be experiencing problems relating to his or her home care;

(d) (~~Reassessment and reauthorization of~~) Reassessing and reauthorizing services;

(e) Monitoring of individual provider performance. If, in the course of its case management activities, the area agency on aging identifies concerns regarding the care being provided by an individual provider who was referred by the authority, the area agency on aging must notify the authority regarding its concerns; and

(f) Conducting criminal background checks or verifying that criminal background checks have been conducted for any individual provider who has not been referred to a consumer by the authority. Individual providers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

(2) The area agency on aging case manager shall work with each consumer to develop a plan of care under this section that identifies and ensures coordination of health and long-term care services that meet the consumer's needs. In developing the plan, they shall utilize, and modify as needed, any comprehensive community service plan developed by the department as provided in RCW 74.39A.040. The plan of care shall include, at a minimum:

(a) The name and telephone number of the consumer's area agency on aging case manager, and a statement as to how the case manager can be contacted about any concerns related to the consumer's well-being or the adequacy of care provided;

(b) The name and telephone numbers of the consumer's primary health care provider, and other health or long-term care providers with whom the consumer has frequent contacts;

(c) A clear description of the roles and responsibilities of the area agency on aging case manager and the consumer receiving services under this section;

(d) The duties and tasks to be performed by the area agency on aging case manager and the consumer receiving services under this section;

(e) The type of in-home services authorized, and the number of hours of services to be provided;

(f) The terms of compensation of the individual provider;

(g) A statement by the individual provider that he or she has the ability and willingness to carry out his or her responsibilities relative to the plan of care; and

(h)(i) Except as provided in (h)(ii) of this subsection, a clear statement indicating that a consumer receiving services under this section has the right to waive any of the case management services offered by the area agency on aging under this section, and a clear indication of whether the consumer has, in fact, waived any of these services.

(ii) The consumer's right to waive case management services does not include the right to waive reassessment or reauthorization of services, or verification that services are being provided in accordance with the plan of care.

(3) Each area agency on aging shall retain a record of each waiver of services included in a plan of care under this section.

(4) Each consumer has the right to direct and participate in the development of their plan of care to the maximum practicable extent of their abilities and desires, and to be provided with the time and support necessary to facilitate that participation.

(5) A copy of the plan of care must be distributed to the consumer's primary care provider, individual provider, and other relevant providers with whom the consumer has frequent contact, as authorized by the consumer.

(6) The consumer's plan of care shall be an attachment to the contract between the department, or their designee, and the individual provider.

(7) If the department or area agency on aging case manager finds that an individual provider's inadequate performance or inability to deliver quality care is jeopardizing the health, safety, or well-being of a consumer receiving service under this section, the department or the area agency on aging may take action to terminate the contract between the department and the individual provider. If the department or the area agency on aging has a reasonable, good faith belief that the health, safety, or well-being of a consumer is in imminent jeopardy, the department or area agency on aging may summarily suspend the contract pending a fair hearing. The consumer may request a fair hearing to contest the planned action of the case manager, as provided in chapter 34.05 RCW. When the department or area agency on aging terminates or summarily suspends a contract under this subsection, it must provide oral and written notice of the action taken to the authority. The department may by rule adopt guidelines for implementing this subsection.

(8) The department or area agency on aging may reject a request by a consumer receiving services under this section to have a family member or other person serve as his or her individual provider if the case manager has a reasonable, good faith belief that the family member or other person will be unable to appropriately meet the care needs of the consumer. The consumer may request a fair hearing to contest the decision of the case manager, as provided in chapter 34.05 RCW. The department may by rule adopt guidelines for implementing this subsection.

Sec. 9. RCW 74.39A.260 and 2002 c 3 s 5 are each amended to read as follows:

The department must perform criminal background checks for individual providers and prospective individual providers and ensure that the authority has ready access to any long-term care abuse and neglect registry used by the department. Individual providers who are hired after January 1, 2012, are subject to background checks under RCW 74.39A.055.

Sec. 10. RCW 74.39A.073 and 2009 c 2 s 5 (Initiative Measure No. 1029) are each amended to read as follows:

(1) Effective January 1, (~~(2010)~~) 2011, except as provided in RCW 18.88B.040, all persons employed as long-term care workers for the elderly or persons with disabilities must meet the minimum training requirements in this section within one hundred twenty calendar days of employment.

(2) All persons employed as long-term care workers must obtain seventy-five hours of entry-level training approved by the department. A long-term care worker must accomplish five of these seventy-five hours before becoming eligible to provide care.

(3) Training required by subsection (4)(c) of this section will be applied towards training required under RCW 18.20.270 or 70.128.230 as well as any statutory or regulatory training requirements for long-term care workers employed by supportive living providers.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The seventy-five hours of entry-level training required shall be as follows:

(a) Before a long-term care worker is eligible to provide care, he or she must complete two hours of orientation training regarding his or her role as caregiver and the applicable terms of employment;

(b) Before a long-term care worker is eligible to provide care, he or she must complete three hours of safety training, including basic safety precautions, emergency procedures, and infection control; and

(c) All long-term care workers must complete seventy hours of long-term care basic training, including training related to core competencies and population specific competencies.

(5) The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors on the competencies and training topics in this section.

(6) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(7) The department of health shall adopt rules by August 1, ~~((2009))~~ 2010, to implement subsections (1), (2), and (3) of this section.

(8) The department shall adopt rules by August 1, ~~((2009))~~ 2010, to implement subsections (4) and (5) of this section.

Sec. 11. RCW 74.39A.075 and 2009 c 2 s 8 (Initiative Measure No. 1029) are each amended to read as follows:

(1) Effective January 1, ~~((2010))~~ 2011, a biological, step, or adoptive parent who is the individual provider only for his or her developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days of becoming an individual provider.

(2) Effective January 1, ~~((2010))~~ 2011, individual providers identified in (a) and (b) of this subsection must complete thirty-five hours of training within the first one hundred twenty days of becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

(a) An individual provider caring only for his or her biological, step, or adoptive child or parent unless covered by subsection (1) of this section; and

(b) Before January 1, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) The department shall adopt rules by August 1, ~~((2009))~~ 2010, to implement this section.

Sec. 12. RCW 74.39A.340 and 2009 c 2 s 9 (Initiative Measure No. 1029) are each amended to read as follows:

(1) The department of health shall ensure that all long-term care workers shall complete twelve hours of continuing education training in advanced training topics each year. This requirement applies beginning on ~~((January))~~ July 1, ~~((2010))~~ 2011.

(2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter 2, Laws of 2009.

(3) Unless voluntarily certified as a home care aide under chapter 2, Laws of 2009, subsection (1) of this section does not apply to:

(a) An individual provider caring only for his or her biological, step, or adoptive child; and

(b) Before June 30, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(6) The department of health shall adopt rules by August 1, ~~((2009))~~ 2010, to implement subsections (1), (2), and (3) of this section.

(7) The department shall adopt rules by August 1, ~~((2009))~~ 2010, to implement subsection (4) of this section.

Sec. 13. RCW 74.39A.350 and 2009 c 2 s 10 (Initiative Measure No. 1029) are each amended to read as follows:

The department shall offer, directly or through contract, training opportunities sufficient for a long-term care worker to accumulate seventy hours of training within a reasonable time period. For individual providers represented by an exclusive bargaining representative under RCW 74.39A.270, the training opportunities shall be offered through the training partnership established under RCW 74.39A.360. Training topics shall include, but are not limited to: Client rights; personal care; mental illness; dementia; developmental disabilities; depression; medication assistance; advanced communication skills; positive client behavior support; developing or improving client-centered activities; dealing with wandering or aggressive client behaviors; medical conditions; nurse delegation core training; peer mentor training; and advocacy for quality care training. The department may not require long-term care workers to obtain the training described in this section. This requirement to offer advanced training applies beginning January 1, ~~((2011))~~ 2012.

Sec. 14. RCW 74.39A.085 and 2009 c 2 s 12 (Initiative Measure No. 1029) are each amended to read as follows:

(1) The department shall deny payment to any individual provider of home care services who has not been certified by the department of health as a home care aide as required under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(2) The department may terminate the contract of any individual provider of home care services, or take any other enforcement measure deemed appropriate by the department if the individual provider's certification is revoked under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(3) The department shall take appropriate enforcement action related to the contract of a private agency or facility licensed by the state, to provide personal care services, other than an individual provider, who knowingly employs a long-term care worker who is not a certified home care aide as required under chapter 2, Laws of 2009 or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to chapter 2, Laws of 2009.

(4) Chapter 34.05 RCW shall govern actions by the department under this section.

(5) The department shall adopt rules by August 1, (~~2009~~) 2010, to implement this section.

Sec. 15. RCW 18.88B.040 and 2009 c 2 s 7 (Initiative Measure No. 1029) are each amended to read as follows:

The following long-term care workers are not required to become a certified home care aide pursuant to this chapter.

(1) Registered nurses, licensed practical nurses, certified nursing assistants, medicare-certified home health aides, or other persons who hold a similar health credential, as determined by the secretary of health, or persons with special education training and an endorsement granted by the superintendent of public instruction, as described in RCW 28A.300.010, if the secretary of health determines that the circumstances do not require certification. Individuals exempted by this subsection may obtain certification as a home care aide from the department of health without fulfilling the training requirements in RCW 74.39A.073 but must successfully complete a certification examination pursuant to RCW 18.88B.030.

(2) A person already employed as a long-term care worker prior to January 1, (~~2010~~) 2011, who completes all of his or her training requirements in effect as of the date he or she was hired, is not required to obtain certification. Individuals exempted by this subsection may obtain certification as a home care aide from the department of health without fulfilling the training requirements in RCW 74.39A.073 but must successfully complete a certification examination pursuant to RCW 18.88B.030.

(3) All long-term care workers employed by supported living providers are not required to obtain certification under this chapter.

(4) An individual provider caring only for his or her biological, step, or adoptive child or parent is not required to obtain certification under this chapter.

(5) Prior to June 30, 2014, a person hired as an individual provider who provides twenty hours or less of care for one person in any calendar month is not required to obtain certification under this chapter.

(6) A long-term care worker exempted by this section from the training requirements contained in RCW 74.39A.073 may not be prohibited from enrolling in training pursuant to that section.

(7) The department of health shall adopt rules by August 1, ~~((2009))~~ 2010, to implement this section.

Sec. 16. RCW 18.88A.115 and 2009 c 2 s 11 (Initiative Measure No. 1029) are each amended to read as follows:

By August 1, ~~((2009))~~ 2010, the department of health shall develop, in consultation with the nursing care quality assurance commission and consumer and worker representatives, rules permitting reciprocity to the maximum extent possible under federal law between home care aide certification and nursing assistant certification.

Sec. 17. RCW 18.88B.050 and 2009 c 2 s 13 (Initiative Measure No. 1029) are each amended to read as follows:

(1) The uniform disciplinary act, chapter 18.130 RCW, governs uncertified practice, issuance of certificates, and the discipline of persons with certificates under this chapter. The secretary of health shall be the disciplinary authority under this chapter.

(2) The secretary of health may take action to immediately suspend the certification of a long-term care worker upon finding that conduct of the long-term care worker has caused or presents an imminent threat of harm to a functionally disabled person in his or her care.

(3) If the secretary of health imposes suspension or conditions for continuation of certification, the suspension or conditions for continuation are effective immediately upon notice and shall continue in effect pending the outcome of any hearing.

(4) The department of health shall take appropriate enforcement action related to the licensure of a private agency or facility licensed by the state, to provide personal care services, other than an individual provider, who knowingly employs a long-term care worker who is not a certified home care aide as required under this chapter or, if exempted from certification by RCW 18.88B.040, has not completed his or her required training pursuant to this chapter.

(5) Chapter 34.05 RCW shall govern actions by the department of health under this section.

(6) The department of health shall adopt rules by August 1, ~~((2009))~~ 2010, to implement this section.

Sec. 18. RCW 18.88B.020 and 2009 c 2 s 4 (Initiative Measure No. 1029) are each amended to read as follows:

(1) Effective January 1, ~~((2010))~~ 2011, except as provided in RCW 18.88B.040, the department of health shall require that any person hired as a long-term care worker for the elderly or persons with disabilities must be certified as a home care aide within one hundred fifty days from the date of being hired.

(2) Except as provided in RCW 18.88B.040, certification as a home care aide requires both completion of seventy-five hours of training and successful completion of a certification examination pursuant to RCW 74.39A.073 and 18.88B.030.

(3) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified pursuant to this chapter.

(4) The department of health shall adopt rules by August 1, ((2009)) 2010, to implement this section.

NEW SECTION. **Sec. 19.** Section 16 of this act takes effect September 1, 2009.

Passed by the Senate April 25, 2009.

Passed by the House April 25, 2009.

Approved by the Governor May 19, 2009.

Filed in Office of Secretary of State May 20, 2009.

CHAPTER 581

[Filed by Washington Citizens' Commission on Salaries for Elected Officials]

SALARIES—STATE ELECTED OFFICIALS

AN ACT Relating to salaries of elected officials; and amending RCW 43.03.011, 43.03.012, and 43.03.013.

Be it enacted by the Washington citizens' commission on salaries for elected officials of the State of Washington:

Sec. 1. RCW 43.03.011 and 2009 c ... (SB 5038) s 5004 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salaries of the state elected officials of the executive branch shall be as follows:

(1) ((Effective September 1, 2006:

(a) Governor	\$ 150,995
(b) Lieutenant governor	\$ 78,930
(c) Secretary of state	\$ 105,811
(d) Treasurer	\$ 105,811
(e) Auditor	\$ 105,811
(f) Attorney general	\$ 137,268
(g) Superintendent of public instruction	\$ 107,978
(h) Commissioner of public lands	\$ 107,978
(i) Insurance commissioner	\$ 105,811

(2) Effective September 1, 2007:

(a) Governor	\$ 163,618
(b) Lieutenant governor	\$ 92,106
(c) Secretary of state	\$ 114,657
(d) Treasurer	\$ 114,657
(e) Auditor	\$ 114,657
(f) Attorney general	\$ 148,744
(g) Superintendent of public instruction	\$ 119,234
(h) Commissioner of public lands	\$ 119,234

(i) Insurance commissioner \$ 114,657

~~(3))~~ Effective September 1, 2008:

(a) Governor \$ 166,891
 (b) Lieutenant governor \$ 93,948
 (c) Secretary of state \$ 116,950
 (d) Treasurer \$ 116,950
 (e) Auditor \$ 116,950
 (f) Attorney general \$ 151,718
 (g) Superintendent of public instruction \$ 121,618
 (h) Commissioner of public lands \$ 121,618
 (i) Insurance commissioner \$ 116,950

(2) Effective September 1, 2009:

(a) Governor \$ 166,891
(b) Lieutenant governor \$ 93,948
(c) Secretary of state \$ 116,950
(d) Treasurer \$ 116,950
(e) Auditor \$ 116,950
(f) Attorney general \$ 151,718
(g) Superintendent of public instruction \$ 121,618
(h) Commissioner of public lands \$ 121,618
(i) Insurance commissioner \$ 116,950

(3) Effective September 1, 2010:

(a) Governor \$ 166,891
(b) Lieutenant governor \$ 93,948
(c) Secretary of state \$ 116,950
(d) Treasurer \$ 116,950
(e) Auditor \$ 116,950
(f) Attorney general \$ 151,718
(g) Superintendent of public instruction \$ 121,618
(h) Commissioner of public lands \$ 121,618
(i) Insurance commissioner \$ 116,950

(4) The lieutenant governor shall receive the fixed amount of his or her salary plus 1/260th of the difference between his or her salary and that of the governor for each day that the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor.

Sec. 2. RCW 43.03.012 and 2007 c 524 s 2 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 2.04.092, 2.06.062, 2.08.092, 3.58.010, and 43.03.310, the annual salaries of the judges of the state shall be as follows:

(1) ~~((Effective September 1, 2006:~~

~~(a) Justices of the supreme court \$ 145,636~~
~~(b) Judges of the court of appeals \$ 138,636~~
~~(c) Judges of the superior court \$ 131,988~~
~~(d) Full-time judges of the district court \$ 125,672~~

(2) Effective September 1, 2007:

(a) Justices of the supreme court \$ 155,557
 (b) Judges of the court of appeals \$ 148,080

(e) Judges of the superior court	\$ 140,979
(d) Full-time judges of the district court	\$ 134,233
<u>(3)) Effective September 1, 2008:</u>	
(a) Justices of the supreme court	\$ 164,221
(b) Judges of the court of appeals	\$ 156,328
(c) Judges of the superior court	\$ 148,832
(d) Full-time judges of the district court	\$ 141,710
<u>(2) Effective September 1, 2009:</u>	
(a) Justices of the supreme court	\$ 164,221
(b) Judges of the court of appeals	\$ 156,328
(c) Judges of the superior court	\$ 148,832
(d) Full-time judges of the district court	\$ 141,710
<u>(3) Effective September 1, 2010:</u>	
(a) Justices of the supreme court	\$ 164,221
(b) Judges of the court of appeals	\$ 156,328
(c) Judges of the superior court	\$ 148,832
(d) Full-time judges of the district court	\$ 141,710

(4) The salary for a part-time district court judge shall be the proportion of full-time work for which the position is authorized, multiplied by the salary for a full-time district court judge.

Sec. 3. RCW 43.03.013 and 2007 c 524 s 3 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salary of members of the legislature shall be:

<u>(1) ((Effective September 1, 2006:</u>	
(a) Legislators	\$ 36,311
(b) Speaker of the house	\$ 44,311
(c) Senate majority leader	\$ 44,311
(d) House minority leader	\$ 40,311
(e) Senate minority leader	\$ 40,311
<u>(2) Effective September 1, 2007:</u>	
(a) Legislators	\$ 41,280
(b) Speaker of the house	\$ 49,280
(c) Senate majority leader	\$ 49,280
(d) House minority leader	\$ 45,280
(e) Senate minority leader	\$ 45,280
<u>(3)) Effective September 1, 2008:</u>	
(a) Legislators	\$ 42,106
(b) Speaker of the house	\$ 50,106
(c) Senate majority leader	\$ 50,106
(d) House minority leader	\$ 46,106
(e) Senate minority leader	\$ 46,106
<u>(2) Effective September 1, 2009:</u>	
(a) Legislators	\$ 42,106
(b) Speaker of the house	\$ 50,106
(c) Senate majority leader	\$ 50,106
(d) House minority leader	\$ 46,106
(e) Senate minority leader	\$ 46,106

(3) Effective September 1, 2010:

<u>(a) Legislators</u>	<u>\$ 42,106</u>
<u>(b) Speaker of the house</u>	<u>\$ 50,106</u>
<u>(c) Senate majority leader</u>	<u>\$ 50,106</u>
<u>(d) House minority leader</u>	<u>\$ 46,106</u>
<u>(e) Senate minority leader</u>	<u>\$ 46,106</u>

Filed in Office of Secretary of State May 29, 2009.

AUTHENTICATION

I, K. Kyle Thiessen, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2009 session (61st Legislature), chapters 536 through 581, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 22nd day of June, 2009.



K. KYLE THIESSEN
Code Reviser

“PV” Denotes partial veto by Governor [4219]

BILL NO. TO CHAPTER NO. OF 2009 STATUTES

Chapter Number Laws of 2009		Chapter Number Laws of 2009	
Number		Number	
SSB	5367 271	SSB	5561..... 313
SSB	5368 308	SB	5562..... 200
SSB	5369 52	SSB	5565..... 282
SSB	5380 53	SSB	5566..... 289
SSB	5388 49	SB	5568..... 309
SSB	5391 412	SSB	5571..... 176
SSB	5401 246	SSB	5574..... 485
SSB	5402 287	SB	5580..... 263
SSB	5410 542	ESB	5581..... 142
SB	5413 141	ESSB	5583..... 283
ESSB	5414 310	SB	5587..... 211
SSB	5417 14	ESSB	5595..... 12
ESSB	5421 420	SB	5599..... 264
ESB	5423 54	ESSB	5601..... 301
SB	5426 115	SSB	5608..... 302
SSB	5431 482	SSB	5610..... 276
2SSB	5433 551	SSB	5613..... 196
SSB	5434 116	SSB	5616..... 296
SSB	5436 552	SB	5629..... 303
ESSB	5437 55	SB	5642..... 262
SB	5452 291	E2SSB	5649..... 379
ESSB	5460 5	ESSB	5651..... 286
SSB	5461 307	SSB	5665..... 314
SSB	5468 311	ESSB	5671..... 18
SSB	5469 125	SB	5673..... 315
SB	5470 483	2SSB	5676..... 212
ESSB	5473 421	SSB	5677..... 143
SSB	5480 175	SB	5680..... 58
SSB	5481 56	SSB	5684..... 471
SB	5482 275	E2SSB	5688..... 521
SB	5487 57	SB	5695..... 108
SB	5492 126	SB	5699..... 117
SSB	5499 473	SSB	5705..... 144
SSB	5501 300	SSB	5718..... 409
SSB	5504 456	SSB	5719..... 284
SSB	5509 346	SB	5720..... 316
SSB	5510 484	SSB	5723..... 486
SB	5511 127	SSB	5724..... 281
ESSB	5513 279	SSB	5725..... 487
SB	5525 455	SB	5731..... 304
SSB	5531 371	SSB	5732..... 490
SSB	5537 500	SSB	5734..... 574
SSB	5539 553	SSB	5738..... 317
SB	5540 280	SB	5739..... 59
SB	5547 312	ESSB	5746..... 454
SSB	5551 182	SSB	5752..... 177
SB	5554 554	SSB	5765..... 208
SSB	5556 272	SB	5767..... 118
E2SSB	5560 519	ESSB	5768..... 458

“PV” Denotes partial veto by Governor [4221]

BILL NO. TO CHAPTER NO. OF 2009 STATUTES

Chapter Number Laws of 2009		Chapter Number Laws of 2009	
Number		Number	
EHB	104935	SHB	1221..... 38
HB	1050248	SHB	1225..... 352
2SHB	1052216	EHB	1227..... 79
EHB	1053133	HB	1238..... 440
SHB	105536	SHB	1239..... 526
HB	1058186	ESHB	1244..... 564
EHB	1059187	SHB	1254..... 33
SHB	1062434	HB	1257..... 135
HB	1063199	SHB	1261..... 81
HB	10667	HB	1264..... 202
SHB	1067188	HB	1270..... 201
HB	1068189	SHB	1271..... 136
SHB	1071217	ESHB	1272..... 498
HB	107669	HB	1273..... 137
E2SHB	107870	SHB	1280..... 39
2SHB	1081435	HB	1281..... 138
EHB	1087348	SHB	1283..... 221
SHB	1103525	SHB	1286..... 222
SHB	1110190	HB	1287..... 503
HB	11136	HB	1288..... 191
SHB	1119436	2SHB	1290..... 442
HB	1120218	SHB	1291..... 40
HB	112171	SHB	1292..... 543
ESHB	1123244	HB	1295..... 402
HB	1127382	SHB	1300..... 320
SHB	112872	SHB	1303..... 134
HB	1137349	SHB	1308..... 82
ESHB	1138438	SHB	1309..... 321
HB	1148439	EHB	1311..... 149
HB	115573	SHB	1319..... 224
HB	1156192	HB	1322..... 41
HB	1158330	SHB	1323..... 151
HB	1166384	HB	1324..... 139
EHB	1167385	ESHB	1326..... 331
SHB	1170502	SHB	1328..... 64
2SHB	1172474	SHB	1332..... 504
HB	1184416	HB	1338..... 83
HB	1195193	HB	1339..... 225
HB	119674	SHB	1347..... 443
HB	119775	ESHB	1349..... 323
HB	1199219	2SHB	1355..... 238
SHB	1201319	HB	1361..... 227
SHB	120276	ESHB	1362..... 387
SHB	120577	HB	1366..... 90
E2SHB	1208350	2SHB	1373..... 388
SHB	1215351	HB	1375..... 152
ESHB	1216497	ESHB	1379..... 444
HB	121778	HB	1380..... 153
HB	121837	EHB	1385..... 324

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BILL NO. TO CHAPTER NO. OF 2009 STATUTES

Number	Chapter Number Laws of 2009		Number	Chapter Number Laws of 2009
SHB	1388		HB	1567
HB	1394		EHB	1568
HB	1395		HB	1569
SHB	1397		ESHB	1571
ESHB	1401		HB	1578
SHB	1402		HB	1579
SHB	1413		2SHB	1580
SHB	1414		SHB	1583
SHB	1415		HB	1589
SHB	1419		SHB	1592
SHB	1420		HB	1596
HB	1426		EHB	1616
HB	1433		ESHB	1619
SHB	1435		SHB	1621
HB	1437		HB	1640
ESHB	1441		SHB	1663
ESHB	1445		ESHB	1664
HB	1448		HB	1675
EHB	1461		HB	1678
EHB	1464		HB	1682
HB	1474		SHB	1692
HB	1475		ESHB	1694
HB	1478		E2SHB	1701
2SHB	1481		ESHB	1709
2SHB	1484	PV	HB	1717
HB	1487		SHB	1730
HB	1492		SHB	1733
HB	1498		SHB	1740
SHB	1505		ESHB	1741
HB	1506		SHB	1749
SHB	1510		SHB	1751
ESHB	1512		SHB	1758
EHB	1513		SHB	1765
HB	1515		SHB	1769
ESHB	1516		SHB	1778
HB	1517		ESHB	1782
2SHB	1522		HB	1789
SHB	1529		HB	1790
EHB	1530		SHB	1791
SHB	1532		ESHB	1792
HB	1536		SHB	1793
HB	1548		ESHB	1794
HB	1551		SHB	1808
SHB	1552		SHB	1812
ESHB	1553		EHB	1815
SHB	1555		SHB	1816
HB	1562		EHB	1824
SHB	1565		SHB	1825
EHB	1566		HB	1826
				PV

BILL NO. TO CHAPTER NO. OF 2009 STATUTES

Chapter Number Laws of 2009		Chapter Number Laws of 2009	
Number		Number	
HB 1835	377	2SHB 2106	PV
SHB 1843	46	2SHB 2119	
HB 1844	169	EHB 2122	
SHB 1845	476	ESHB 2125	
ESHB 1847	229	ESHB 2126	
HB 1852	170	ESHB 2128	PV
SHB 1856	395	HB 2129	PV
SHB 1869	529	HB 2132	
HB 1878	47	HB 2146	
E2SHB 1879	381	SHB 2157	
HB 1888	233	SHB 2160	
2SHB 1899	403	HB 2165	
ESHB 1906	3	EHB 2194	
SHB 1919	445	HB 2199	
ESHB 1926	89	HB 2206	
E2SHB 1935	530	SHB 2208	
2SHB 1938	234	ESHB 2211	
ESHB 1939	123	SHB 2214	
SHB 1943	406	ESHB 2222	
2SHB 1946	407	SHB 2223	
2SHB 1951	340	E2SHB 2227	PV
SHB 1953	157	EHB 2242	PV
ESHB 1954	236	ESHB 2245	
SHB 1957	341	ESHB 2254	
ESHB 1959	514	ESHB 2261	PV
E2SHB 1961	235	EHB 2279	
EHB 1967	342	EHB 2285	
ESHB 1978	8	SHB 2287	
SHB 1984	256	ESHB 2289	
EHB 1986	446	EHB 2299	
HB 1997	99	HB 2313	
SHB 2003	531	ESHB 2327	PV
SHB 2013	119	HB 2328	
HB 2014	328	HB 2331	
E2SHB 2021	215	SHB 2339	
HB 2025	398	SHB 2341	
ESHB 2035	532	SHB 2343	
EHB 2040	506	ESHB 2344	
SHB 2042	100	SHB 2346	
ESHB 2049	534	HB 2347	
SHB 2052	257	HB 2349	
SHB 2061	9	SHB 2356	
SHB 2071	85	EHB 2357	
ESHB 2072	515	EHB 2358	
ESHB 2075	535	HB 2359	
E2SHB 2078	447	SHB 2361	
SHB 2079	343	SHB 2362	
SHB 2095	101	SHB 2363	
ESHB 2105	258		

RCW SECTIONS AFFECTED BY 2009 STATUTES

LEGEND				RCW		CH.	SEC.
ADD	=	Add a new section		4.92.110	AMD	433	3
AMD	=	Amend existing law		4.92.130	AMD	560	15
DECD	=	Decodify existing law		4.92.230	REP	560	14
RECD	=	Recodify existing law		4.96.020	AMD	433	1
REEN	=	Reenact existing law		5.40.050	AMD	412	20
REMD	=	Reenact and amend		5.44	ADD	521	12
REP	=	Repeal existing law		5.60.060	AMD	424	1
				6	ADD	363	1-12
RCW		CH.	SEC.	6.15	ADD	521	13
1.08.015	AMD	186	1	6.27	ADD	521	14
1.08.017	AMD	186	2	6.27.140	AMD	521	15
1.12	ADD	521	3	6.40.010	REP	363	14
1.12.060	AMD	251	1	6.40.020	REP	363	14
1.16	ADD	521	4	6.40.030	REP	363	14
1.20	ADD	464	2	6.40.040	REP	363	14
2.06	ADD	77	2	6.40.050	REP	363	14
2.06.020	AMD	77	1	6.40.060	REP	363	14
2.10	ADD	521	5	6.40.070	REP	363	14
2.10.030	AMD	521	6	6.40.900	REP	363	14
2.12	ADD	521	7	6.40.905	REP	363	14
2.14	ADD	521	8	6.40.910	REP	363	14
2.24.010	AMD	140	1	6.40.915	REP	363	14
2.24.040	AMD	28	1	7.08	ADD	521	16
2.28.170	AMD	445	2	7.21.040	AMD	37	1
2.36.072	AMD	330	1	7.21.050	AMD	37	2
2.56	ADD	521	9	7.48.305	AMD	200	2
2.56.030	REMD	479	2	7.48.310	AMD	200	3
2.68.020	AMD	564	918	7.68	ADD	521	17
			1802	7.68.030	AMD	479	7
2.72.030	AMD	117	1	7.68.035	AMD	479	8
3.34.010	AMD	26	1	7.68.070	AMD	38	1
3.34.010	AMD	86	1	7.68.085	AMD	479	9
3.50	ADD	431	16	7.69	ADD	138	1
3.50.100	AMD	479	3	7.69.030	AMD	138	5
3.58.060	AMD	479	4	7.80.010	AMD	279	2
3.62.020	AMD	479	5	7.80.090	AMD	279	1
3.62.040	AMD	479	6	7.84.030	AMD	174	1
3.62.060	AMD	372	1	9.41	ADD	216	2-4
3.62.060	AMD	572	1	9.41.010	AMD	216	1
3.66	ADD	431	17	9.41.040	AMD	293	1
4.12.040	AMD	332	19	9.41.045	AMD	28	2
4.12.050	AMD	332	20	9.41.047	AMD	293	2
4.24	ADD	521	10	9.41.070	AMD	59	1
4.24.040	AMD	549	1001	9.41.070	AMD	216	5
4.24.230	AMD	431	3	9.41.097	AMD	216	6
4.24.660	AMD	475	1	9.41.0975	AMD	216	7
4.28	ADD	521	11	9.41.110	AMD	479	10
4.84	ADD	240	2	9.41.170	REP	216	8
4.84.010	AMD	240	1	9.41.280	AMD	453	1
4.92.100	AMD	433	2	9.46	ADD	357	2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW			CH.	SEC.	RCW			CH.	SEC.
9.46.0209	AMD	137		1	9.94A.701	AMD	28		10
9.46.0277	AMD	133		1	9.94A.701	AMD	375		5
9.46.0305	AMD	357		1	9.94A.703	AMD	28		11
9.46.0331	AMD	78		1	9.94A.703	AMD	214		3
9.46.295	AMD	550		2	9.94A.704	AMD	28		12
9.58	ADD	521		18	9.94A.704	AMD	375		6
9.58.010	REP	88		1	9.94A.707	AMD	375		7
9.58.020	REP	88		1	9.94A.715	REP	28		42
9.58.030	REP	88		1	9.94A.728	AMD	399		1
9.58.040	REP	88		1	9.94A.728	AMD	441		1
9.58.050	REP	88		1	9.94A.728	AMD	455		1,2
9.58.060	REP	88		1	9.94A.731	AMD	28		13
9.58.070	REP	88		1	9.94A.737	AMD	375		13
9.58.080	REP	88		1	9.94A.771	AMD	28		14
9.58.090	REP	88		1	9.94A.771	RECD	28		41
9.68	ADD	521		19	9.94A.835	AMD	28		15
9.68A	ADD	521		20	9.94A.850	AMD	28		17
9.68A.120	AMD	479		12	9.94A.850	AMD	375		8
9.91.025	AMD	279		3	9.94A.885	AMD	138		4
9.92.066	AMD	325		2	9.94A.885	AMD	325		6
9.92.151	AMD	28		3	9.94B	ADD	28		41
9.94A	ADD	28		16,41	9.94B.030	AMD	28		18
9.94A	ADD	141		1	9.94B.060	AMD	28		19
9.94A	ADD	389		4,5	9.94B.070	AMD	28		20
9.94A	ADD	431		2	9.95.011	AMD	28		21
9.94A	ADD	455		3	9.95.017	AMD	28		22
9.94A	ADD	521		21	9.95.055	AMD	28		23
9.94A.030	REMD	28		4	9.95.070	AMD	28		24
9.94A.030	REMD	375		3	9.95.090	AMD	28		25
9.94A.030	AMD	375		4	9.95.110	AMD	28		26
9.94A.190	AMD	28		5	9.95.121	AMD	28		27
9.94A.501	AMD	375		1,2	9.95.122	AMD	28		28
9.94A.501	AMD	376		1,2	9.95.140	AMD	28		29
9.94A.505	AMD	28		6	9.95.206	REP	375		16
9.94A.505	AMD	389		1	9.95.212	REP	375		16
9.94A.533	REMD	141		2	9.95.220	AMD	375		11
9.94A.545	REP	28		42	9.95.420	AMD	138		2,3
9.94A.602	RECD	28		41	9.95.425	AMD	28		30
9.94A.605	RECD	28		41	9.95.900	AMD	28		31
9.94A.631	AMD	390		1	9.96.050	REMD	325		4
9.94A.633	AMD	28		7	9.96A.020	AMD	396		7
9.94A.633	AMD	375		12	9A.04.080	AMD	53		1
9.94A.6332	AMD	28		8	9A.04.080	AMD	61		1
9.94A.6332	AMD	375		14	9A.08.010	AMD	549		1002
9.94A.637	AMD	288		2	9A.16	ADD	521		22
9.94A.637	AMD	325		3	9A.36.080	AMD	180		1
9.94A.660	REMD	389		2	9A.40	ADD	521		23
9.94A.660	AMD	389		3	9A.44	ADD	521		24
9.94A.670	AMD	28		9	9A.44.093	AMD	324		1
9.94A.680	AMD	227		1	9A.44.096	AMD	324		2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
9A.44.145	AMD	210	1	11.84.080	AMD	525	8
9A.48.070	AMD	431	4	11.84.090	AMD	525	9
9A.48.080	AMD	431	5	11.84.100	AMD	525	10
9A.48.090	AMD	431	6	11.84.110	AMD	525	11
9A.56.030	AMD	431	7	11.84.120	AMD	525	12
9A.56.040	AMD	431	8	11.84.130	AMD	525	13
9A.56.050	AMD	431	9	11.88	ADD	521	35
9A.56.060	AMD	431	10	11.88.030	AMD	521	36
9A.56.096	AMD	431	11	11.94	ADD	521	37
9A.56.150	AMD	431	12	11.95	ADD	521	38
9A.56.160	AMD	431	13	11.96A.030	AMD	525	20
9A.56.170	AMD	431	14	11.98	ADD	521	39
9A.56.350	AMD	431	15	11.104A	ADD	365	2
9A.76	ADD	521	25	11.104A	ADD	521	40
9A.76.010	AMD	549	1003	11.104A.180	AMD	365	1
9A.76.115	AMD	28	32	11.108	ADD	521	41
9A.82.110	AMD	479	11	12.20.060	AMD	240	3
9A.88.140	AMD	387	1	12.40.020	AMD	572	2
10.05.060	AMD	135	1	13.04.030	REMD	454	1
10.29.030	REP	560	24	13.04.030	REMD	526	1
10.29.040	REP	560	24	13.32A	ADD	569	5
10.29.080	REP	560	24	13.32A.130	REMD	569	1
10.29.090	REP	560	24	13.34	ADD	213	2
10.37.120	REP	88	1	13.34	ADD	235	5
10.64.021	REP	325	7	13.34	ADD	482	2
10.64.140	AMD	325	5	13.34	ADD	484	1
10.77	ADD	521	26	13.34	ADD	491	6
10.77.205	AMD	521	27	13.34	ADD	521	42
10.82.070	AMD	479	13	13.34.025	AMD	520	20
10.82.090	AMD	479	14	13.34.030	AMD	397	1
10.95	ADD	521	28	13.34.030	AMD	520	21
10.99	ADD	521	29	13.34.062	REMD	477	2
10.101	ADD	521	30	13.34.065	AMD	397	2
10.105.010	AMD	479	15	13.34.065	AMD	477	3
11	ADD	81	1-25	13.34.065	AMD	491	1
11.28.090	AMD	549	1004	13.34.065	AMD	520	22
11.28.140	AMD	549	1005	13.34.067	AMD	520	23
11.40	ADD	521	31	13.34.094	AMD	520	24
11.42	ADD	521	32	13.34.096	AMD	520	25
11.66	ADD	521	33	13.34.100	AMD	480	2
11.68	ADD	521	34	13.34.125	AMD	520	26
11.84	ADD	525	14-17	13.34.130	REMD	397	3
			21	13.34.130	REMD	491	2
11.84.010	AMD	525	1	13.34.130	REMD	520	27
11.84.020	AMD	525	2	13.34.136	REMD	234	5
11.84.025	AMD	525	3	13.34.136	REMD	520	28
11.84.030	AMD	525	4	13.34.138	REMD	152	1
11.84.040	AMD	525	5	13.34.138	REMD	397	4
11.84.050	AMD	525	6	13.34.138	REMD	491	3
11.84.070	AMD	525	7	13.34.138	REMD	520	29

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW				RCW			
		CH.	SEC.			CH.	SEC.
13.34.145	AMD	477	4	13.70.050	REP	152	3
13.34.145	AMD	491	4	13.70.060	REP	152	3
13.34.145	AMD	520	30	13.70.070	REP	152	3
13.34.155	AMD	520	31	13.70.080	REP	152	3
13.34.155	AMD	526	2	13.70.090	REP	152	3
13.34.174	AMD	520	32	13.70.100	REP	152	3
13.34.176	AMD	520	33	13.70.110	REP	152	3
13.34.180	AMD	477	5	13.70.120	REP	152	3
13.34.180	AMD	520	34	13.70.130	REP	152	3
13.34.210	AMD	152	2	13.70.140	REP	152	3
13.34.210	AMD	520	35	13.70.150	REP	152	3
13.34.215	AMD	520	36	14.08.120	AMD	124	1
13.34.230	AMD	520	37	14.12.010	AMD	549	1006
13.34.233	AMD	520	38	15	ADD	33	1-17
13.34.234	AMD	235	6				19-32
13.34.245	AMD	520	39				39
13.34.260	AMD	491	5	15.04.200	AMD	33	33
13.34.320	AMD	520	40	15.09.030	AMD	96	1
13.34.330	AMD	520	41	15.17	ADD	208	1
13.34.340	AMD	520	42	15.17.243	REP	208	2
13.34.350	AMD	520	43	15.65.020	AMD	549	1007
13.34.360	AMD	290	1	15.65.620	AMD	33	34
13.34.370	AMD	520	44	15.66.270	AMD	33	35
13.34.380	AMD	520	45	15.88	ADD	228	4
13.34.385	AMD	520	46	15.89.070	AMD	373	9
13.34.390	AMD	520	47	16.36.116	AMD	347	1
13.34.400	AMD	520	48	16.52	ADD	286	2
13.34.803	REP	520	97	16.52.011	AMD	287	1
13.34.805	REP	520	97	16.52.085	AMD	287	2
13.34.8051	REP	520	97	16.52.200	AMD	287	3
13.34.810	REP	520	97	16.52.225	AMD	347	2
13.40	ADD	252	2	17.21.415	AMD	556	16
13.40	ADD	521	43	18	ADD	2	4,6,7
13.40.020	AMD	454	2				13,17
13.40.070	AMD	252	3	18	ADD	302	1-4
13.40.110	AMD	454	3				6-12
13.40.127	AMD	236	1	18	ADD	412	1-18
13.40.135	AMD	28	33	18.04.345	AMD	116	1
13.40.210	REMD	187	1	18.06.080	AMD	560	2
13.40.308	AMD	454	4	18.20	ADD	521	45
13.50.010	AMD	440	1	18.20.125	AMD	580	3
13.60	ADD	20	2	18.20.260	REP	560	7
13.60.010	AMD	20	1	18.27	ADD	432	1
13.60.110	AMD	518	4	18.29.056	AMD	321	1
13.64	ADD	521	44	18.29.220	AMD	321	2
13.70.003	REP	152	3	18.32	ADD	177	1
13.70.010	REP	152	3	18.32.195	REMD	327	1
13.70.020	REP	152	3	18.35	ADD	301	9,10,12
13.70.030	REP	152	3	18.35	ADD	521	46
13.70.040	REP	152	3	18.35.010	AMD	301	2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
18.35.040	AMD	301	3	18.96.170	REP	370	21
18.35.095	AMD	301	4	18.96.180	AMD	370	15
18.35.150	AMD	301	5	18.96.190	AMD	370	16
18.35.205	AMD	301	6	18.106.020	AMD	36	2
18.35.260	AMD	301	7	18.106.070	AMD	36	3
18.39	ADD	102	24	18.106.090	AMD	36	4
18.39.010	AMD	102	1	18.106.170	AMD	36	5
18.39.173	AMD	102	2	18.118	ADD	521	49
18.39.175	AMD	102	3	18.120	ADD	521	50
18.39.217	AMD	102	4	18.122	ADD	298	7
18.39.800	REP	102	26	18.130.040	REMD	2	15
18.51	ADD	521	47	18.130.040	AMD	2	16
18.59	ADD	68	1	18.130.040	AMD	52	1,2
18.64	ADD	328	1	18.130.040	AMD	301	8
18.64	ADD	411	2	18.130.040	AMD	302	14
18.64.011	AMD	549	1008	18.130.250	AMD	403	3
18.71	ADD	403	4	18.130.310	AMD	518	22
18.71.080	AMD	403	2	18.135	ADD	43	3
18.71.080	AMD	492	5	18.135.010	AMD	43	2
18.71.310	AMD	98	1	18.135.020	AMD	43	4
18.71A.020	AMD	98	2	18.135.065	AMD	43	5
18.73	ADD	359	1	18.155.050	REP	560	22
18.79.260	AMD	203	1	18.225.040	AMD	492	7
18.83.090	AMD	492	6	18.235.020	AMD	102	5
18.84.040	AMD	560	17	18.235.020	AMD	370	20
18.84.070	AMD	560	18	18.235.020	AMD	412	22
18.88A	ADD	2	11	19	ADD	70	1-18
18.88A.115	AMD	580	16	19	ADD	374	1-3
18.88B.020	AMD	580	18	19	ADD	492	1-3
18.88B.030	AMD	580	4	19.06.010	AMD	549	1009
18.88B.040	AMD	580	15	19.09	ADD	521	51
18.88B.050	AMD	580	17	19.16	ADD	521	52
18.92.013	AMD	136	1	19.25	ADD	109	1
18.96	ADD	370	17,18	19.27	ADD	313	2
18.96	ADD	521	48	19.27	ADD	362	3
18.96.010	AMD	370	2	19.27	ADD	459	16
18.96.020	AMD	370	3	19.27.015	AMD	362	2
18.96.030	AMD	370	4	19.27.100	AMD	362	4
18.96.040	AMD	370	5	19.27A	ADD	423	2,3
18.96.050	REP	370	21				5-8
18.96.060	AMD	370	6	19.27A.020	AMD	423	4
18.96.070	AMD	370	7	19.28	ADD	459	17
18.96.080	AMD	370	8	19.28.161	REMD	36	7
18.96.090	AMD	370	9	19.28.211	AMD	36	8
18.96.100	AMD	370	10	19.28.231	AMD	36	9
18.96.110	AMD	370	11	19.28.271	AMD	36	6
18.96.120	AMD	370	12	19.36	ADD	521	53
18.96.140	AMD	370	13	19.40	ADD	521	54
18.96.150	AMD	370	14	19.72	ADD	521	55
18.96.160	REP	370	21	19.86	ADD	371	2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW			CH.	SEC.	RCW			CH.	SEC.
19.86.090	AMD	371		1	19.295.020	AMD	113		3
19.98	ADD	521		56	19.300	ADD	66		2
19.112.010	AMD	132		1	19.300.010	AMD	66		1
19.112.110	AMD	132		2	21.20	ADD	521		61
19.118.021	AMD	351		1	21.20.550	REP	560		16
19.118.031	AMD	351		2	21.20.560	REP	560		16
19.118.041	AMD	351		3	21.20.570	REP	560		16
19.118.061	AMD	351		4	21.20.580	REP	560		16
19.118.080	AMD	351		5	21.20.590	REP	560		16
19.118.090	AMD	351		6	21.35	ADD	521		62
19.118.095	AMD	351		7	23B.01.400	REMD	189		1
19.118.120	AMD	351		8	23B.01.410	AMD	189		2
19.118.160	AMD	351		9	23B.02.020	AMD	189		3
19.120	ADD	521		57	23B.02.050	AMD	189		4
19.126.020	AMD	155		1	23B.02.060	AMD	189		5
19.126.030	AMD	155		2	23B.06.020	AMD	189		6
19.126.040	AMD	155		3	23B.06.040	AMD	189		7
19.126.060	AMD	155		4	23B.06.210	AMD	189		8
19.126.080	AMD	155		5	23B.06.220	AMD	189		9
19.146	ADD	528		7,8	23B.06.260	AMD	189		10
				11-13	23B.06.310	AMD	189		11
				15-18	23B.06.400	AMD	189		12
19.146.010	AMD	528		1	23B.07.030	AMD	189		13
19.146.020	AMD	528		2	23B.07.040	AMD	189		14
19.146.0201	AMD	528		3	23B.07.060	AMD	189		15
19.146.205	AMD	528		4	23B.07.070	AMD	189		16
19.146.228	AMD	528		5	23B.07.200	AMD	189		17
19.146.235	AMD	528		6	23B.07.250	AMD	189		18
19.146.280	AMD	518		1	23B.07.260	AMD	189		19
19.146.300	AMD	528		9	23B.07.270	AMD	189		20
19.146.310	AMD	528		10	23B.07.280	AMD	189		21
19.200.010	AMD	382		1	23B.07.320	AMD	189		22
19.205	ADD	521		58	23B.08	ADD	521		63
19.210.010	AMD	549		1010	23B.08.030	AMD	189		23
19.220	ADD	521		59	23B.08.210	AMD	189		24
19.225	ADD	521		60	23B.08.230	AMD	189		25
19.250.005	AMD	401		1	23B.08.240	AMD	189		26
19.250.030	AMD	401		2	23B.08.250	AMD	189		27
19.250.050	AMD	401		4	23B.08.500	AMD	189		28
19.250.060	REP	401		5	23B.08.550	AMD	189		29
19.250.070	AMD	401		3	23B.08.700	AMD	189		30
19.260.020	AMD	501		1	23B.10.020	AMD	189		31
19.260.020	AMD	565		18	23B.10.060	AMD	189		32
19.260.030	AMD	501		2	23B.10.070	AMD	189		33
19.260.040	AMD	501		3	23B.10.080	AMD	189		34
19.260.050	AMD	501		4	23B.10.200	AMD	189		35
19.280.020	AMD	565		19	23B.10.205	AMD	189		36
19.285.030	AMD	565		20	23B.10.210	AMD	189		37
19.295.005	AMD	113		1	23B.11.030	AMD	189		38
19.295.010	AMD	113		2	23B.11.040	AMD	189		39

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
23B.11.080	AMD	188	1401				601-607
23B.11.090	AMD	188	1402				701-704
23B.11.110	AMD	188	1403				801-811
23B.12.020	AMD	189	40				901-908
23B.13.020	AMD	188	1404				1001-
23B.13.020	AMD	189	41				1005
23B.13.200	AMD	189	42				1101-
23B.13.210	AMD	189	43				1113
23B.13.220	AMD	189	44				1201-
23B.13.240	AMD	189	45				1212
23B.13.260	AMD	189	46				1301-
23B.13.270	AMD	189	47				1304
23B.13.280	AMD	189	48				1306-
23B.14.010	AMD	189	49				1310
23B.14.020	AMD	189	50	25.10.005	REP	188	1305
23B.14.030	AMD	189	51	25.10.010	REP	188	1305
23B.14.040	AMD	189	52	25.10.020	REP	188	1305
23B.14.050	AMD	189	53	25.10.030	REP	188	1305
23B.16.010	AMD	189	54	25.10.040	REP	188	1305
23B.16.020	AMD	189	55	25.10.040	AMD	202	4
23B.19	ADD	521	64	25.10.050	REP	188	1305
23B.19.040	AMD	189	56	25.10.060	REP	188	1305
24	ADD	436	1-11	25.10.070	REP	188	1305
24.03.050	AMD	202	1	25.10.080	REP	188	1305
24.06.050	AMD	202	2	25.10.090	REP	188	1305
24.12	ADD	437	13-16	25.10.100	REP	188	1305
24.44.010	REP	436	13	25.10.110	REP	188	1305
24.44.020	REP	436	13	25.10.120	REP	188	1305
24.44.030	REP	436	13	25.10.130	REP	188	1305
24.44.040	REP	436	13	25.10.140	REP	188	1305
24.44.050	REP	436	13	25.10.150	REP	188	1305
24.44.060	REP	436	13	25.10.160	REP	188	1305
24.44.070	REP	436	13	25.10.170	REP	188	1305
24.44.080	REP	436	13	25.10.180	REP	188	1305
24.44.090	REP	436	13	25.10.190	REP	188	1305
24.44.900	REP	436	13	25.10.200	REP	188	1305
25.05	ADD	437	5-11	25.10.210	REP	188	1305
25.05.005	AMD	202	3	25.10.220	REP	188	1305
25.05.355	AMD	188	1405	25.10.230	REP	188	1305
25.05.375	AMD	188	1406	25.10.240	REP	188	1305
25.05.385	AMD	188	1407	25.10.250	REP	188	1305
25.05.390	AMD	188	1408	25.10.260	REP	188	1305
25.05.425	AMD	188	1409	25.10.270	REP	188	1305
25.05.500	AMD	437	4	25.10.280	REP	188	1305
25.05.560	AMD	437	12	25.10.290	REP	188	1305
25.10	ADD	188	101-119	25.10.300	REP	188	1305
			201-210	25.10.310	REP	188	1305
			301-306	25.10.320	REP	188	1305
			401-408	25.10.330	REP	188	1305
			501-509	25.10.340	REP	188	1305

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
25.10.350	REP	188	1305	25.10.930	REP	188	1305
25.10.360	REP	188	1305	25.10.935	REP	188	1305
25.10.370	REP	188	1305	25.10.940	REP	188	1305
25.10.390	REP	188	1305	25.10.945	REP	188	1305
25.10.400	REP	188	1305	25.10.950	REP	188	1305
25.10.410	REP	188	1305	25.10.955	REP	188	1305
25.10.420	REP	188	1305	25.15	ADD	437	3
25.10.430	REP	188	1305	25.15.010	AMD	188	1410
25.10.440	REP	188	1305	25.15.020	AMD	202	5
25.10.450	REP	188	1305	25.15.270	AMD	437	1
25.10.453	REP	188	1305	25.15.290	AMD	437	2
25.10.455	REP	188	1305	25.15.325	AMD	188	1411
25.10.457	REP	188	1305	25.15.400	AMD	188	1412
25.10.460	REP	188	1305	25.15.405	AMD	188	1413
25.10.470	REP	188	1305	25.15.410	AMD	188	1414
25.10.480	REP	188	1305	25.15.415	AMD	188	1415
25.10.490	REP	188	1305	25.15.430	AMD	188	1416
25.10.500	REP	188	1305	26.09	ADD	521	65
25.10.510	REP	188	1305	26.09.004	AMD	502	1
25.10.520	REP	188	1305	26.09.010	AMD	502	2
25.10.530	REP	188	1305	26.09.105	AMD	476	1
25.10.540	REP	188	1305	26.09.260	AMD	502	3
25.10.550	REP	188	1305	26.12.175	AMD	480	3
25.10.553	REP	188	1305	26.12.177	AMD	480	4
25.10.555	REP	188	1305	26.16.120	AMD	525	18
25.10.560	REP	188	1305	26.18	ADD	521	66
25.10.570	REP	188	1305	26.18.170	AMD	476	2
25.10.580	REP	188	1305	26.18.180	AMD	476	3
25.10.590	REP	188	1305	26.19.020	AMD	84	1
25.10.600	REP	188	1305	26.19.065	AMD	84	2
25.10.610	REP	188	1305	26.19.071	AMD	84	3
25.10.620	REP	188	1305	26.19.075	AMD	84	4
25.10.630	REP	188	1305	26.19.080	AMD	84	5
25.10.640	REP	188	1305	26.23.050	AMD	476	4
25.10.650	REP	188	1305	26.23.110	AMD	476	5
25.10.660	REP	188	1305	26.26	ADD	521	67
25.10.670	REP	188	1305	26.27	ADD	521	68
25.10.680	REP	188	1305	26.28	ADD	521	69
25.10.690	REP	188	1305	26.33	ADD	234	1,2
25.10.800	REP	188	1305	26.33	ADD	521	70
25.10.810	REP	188	1305	26.33.190	AMD	234	4
25.10.820	REP	188	1305	26.33.295	AMD	234	3
25.10.830	REP	188	1305	26.44.020	AMD	520	17
25.10.840	REP	188	1305	26.44.030	AMD	480	1
25.10.900	REP	188	1305	26.44.200	AMD	520	18
25.10.905	REP	188	1305	26.44.210	AMD	381	23
25.10.910	REP	188	1305	26.44.230	REP	520	97
25.10.915	REP	188	1305	26.50.060	AMD	439	2
25.10.920	REP	188	1305	26.50.110	AMD	288	3
25.10.925	REP	188	1305	26.50.110	AMD	439	3

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
26.60	ADD	521	1	28A.210	ADD	301	13
26.60.040	AMD	521	71	28A.210.010	AMD	556	3
26.60.050	REP	521	200	28A.210.020	AMD	556	18
26.60.055	REP	521	200	28A.210.040	AMD	556	4
26.60.090	AMD	521	72	28A.210.180	REP	41	2
27.12.010	AMD	40	2	28A.210.190	REP	41	2
27.12.040	AMD	306	1	28A.210.200	REP	41	2
27.12.050	AMD	306	2	28A.210.210	REP	41	2
27.12.360	AMD	40	1	28A.210.220	REP	41	2
28A	ADD	380	1,9	28A.210.240	REP	41	2
28A	ADD	542	1-8	28A.210.250	REP	41	2
28A	ADD	548	114	28A.225	ADD	380	8
28A.150	ADD	548	1,102	28A.225.005	AMD	556	5
			109	28A.225.020	AMD	266	1
28A.150.030	REP	548	710	28A.225.025	AMD	266	2
28A.150.040	REP	548	710	28A.225.035	AMD	266	3
28A.150.060	REP	548	710	28A.225.090	AMD	266	4
28A.150.100	REP	548	710	28A.225.160	AMD	380	3
28A.150.200	AMD	548	101	28A.225.200	AMD	548	706
28A.150.210	AMD	548	103	28A.225.210	AMD	380	6
28A.150.220	AMD	548	104	28A.225.225	AMD	380	7
28A.150.250	AMD	548	105	28A.225.290	AMD	450	5
28A.150.260	AMD	548	106	28A.225.290	AMD	524	3
28A.150.262	AMD	542	9	28A.225.290	AMD	556	6
28A.150.315	AMD	548	107	28A.225.300	AMD	556	7
28A.150.370	REP	548	710	28A.225.330	AMD	380	2
28A.150.380	AMD	479	16	28A.230	ADD	223	3
28A.150.380	AMD	548	110	28A.230.090	AMD	223	2
28A.150.390	AMD	548	108	28A.230.090	AMD	548	111
28A.155.160	AMD	381	24	28A.230.092	REP	556	20
28A.155.180	REP	548	710	28A.230.095	AMD	556	8
28A.160	ADD	548	309-311	28A.230.125	REMD	556	9
28A.160.130	AMD	564	919	28A.230.130	AMD	212	2
28A.160.150	AMD	548	304	28A.230.185	REP	556	20
28A.160.160	AMD	548	305	28A.230.205	REP	443	6
28A.160.170	AMD	548	306	28A.245.060	AMD	578	7
28A.160.180	AMD	548	307	28A.300	ADD	310	1
28A.160.190	AMD	548	308	28A.300	ADD	443	3,4
28A.165.005	AMD	548	701	28A.300	ADD	468	2,4
28A.165.015	AMD	548	702	28A.300	ADD	515	12
28A.165.025	AMD	556	1	28A.300	ADD	546	2
28A.165.045	AMD	556	2	28A.300	ADD	548	113,203
28A.165.055	AMD	548	703	28A.300.040	AMD	556	10
28A.180.010	AMD	548	704	28A.300.130	AMD	578	6
28A.180.040	AMD	380	5	28A.300.137	AMD	468	3
28A.180.080	AMD	548	705	28A.300.412	REP	556	20
28A.185.010	AMD	548	707	28A.300.450	AMD	443	1
28A.185.020	AMD	548	708	28A.300.455	REP	443	6
28A.185.030	AMD	380	4	28A.300.460	AMD	443	2
28A.195.010	AMD	548	303	28A.300.465	AMD	443	5

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
28A.300.470	REP	443	6	28A.410.100	AMD	531	3
28A.300.520	AMD	578	9	28A.410.110	AMD	396	6
28A.300.525	AMD	556	11	28A.410.200	AMD	531	2
28A.300.801	AMD	410	1	28A.410.210	AMD	531	4
28A.305	ADD	543	2	28A.415.250	AMD	539	5
28A.305	ADD	548	503	28A.415.315	AMD	539	2
28A.305.130	AMD	548	502	28A.415.350	AMD	539	4
28A.305.145	REP	543	4	28A.415.360	AMD	548	403
28A.305.215	REMD	310	5	28A.415.380	AMD	578	1
28A.310.010	AMD	381	25	28A.500	ADD	548	301
28A.310.180	AMD	381	26	28A.505.210	AMD	479	17
28A.310.200	AMD	381	27	28A.505.220	AMD	4	901
28A.310.240	AMD	47	1	28A.505.220	AMD	479	18
28A.310.250	AMD	57	4	28A.505.220	AMD	541	1
28A.320	ADD	190	1	28A.525.040	AMD	129	3
28A.320.125	AMD	578	10	28A.525.090	AMD	129	4
28A.320.165	AMD	556	12	28A.525.162	AMD	129	5
28A.320.180	AMD	556	13	28A.525.166	AMD	129	6
28A.320.190	AMD	578	2	28A.525.166	AMD	421	5
28A.320.330	REMD	460	1	28A.525.168	AMD	129	7
28A.335.205	AMD	381	28	28A.525.210	AMD	500	3
28A.335.230	AMD	129	2	28A.600	ADD	450	2-4
28A.343.300	AMD	107	1	28A.600	ADD	475	2
28A.343.600	AMD	107	2	28A.600.160	AMD	450	6
28A.343.640	AMD	107	3	28A.600.160	AMD	556	14
28A.350.010	REP	337	15	28A.600.300	AMD	450	7
28A.350.020	REP	337	15	28A.600.310	AMD	450	8
28A.350.030	REP	337	15	28A.600.320	AMD	524	4
28A.350.040	REP	337	15	28A.600.415	REP	556	20
28A.350.050	REP	337	15	28A.600.420	AMD	381	31
28A.350.060	REP	337	15	28A.625.010	REP	556	20
28A.350.070	REP	337	15	28A.625.020	REP	556	20
28A.400	ADD	224	1	28A.625.030	REP	556	20
28A.400	ADD	396	1	28A.625.042	REP	556	20
28A.400.205	AMD	573	1	28A.625.050	REP	556	20
28A.400.300	AMD	47	2	28A.625.350	REP	556	20
28A.400.303	AMD	381	29	28A.625.360	REP	556	20
28A.400.305	AMD	381	30	28A.625.370	REP	556	20
28A.400.320	AMD	396	2	28A.625.380	REP	556	20
28A.400.330	AMD	396	3	28A.625.390	REP	556	20
28A.405	ADD	396	9	28A.625.900	REP	556	20
28A.405.210	AMD	57	1	28A.630.035	AMD	578	5
28A.405.220	AMD	57	2	28A.630.045	REP	556	20
28A.405.230	AMD	57	3	28A.630.881	REP	556	20
28A.405.415	AMD	539	6	28A.650.015	AMD	556	17
28A.405.470	AMD	396	4	28A.655	ADD	548	202
28A.410	ADD	468	5	28A.655.061	AMD	524	5
28A.410	ADD	531	1	28A.655.0611	AMD	17	1
28A.410	ADD	548	402	28A.655.065	AMD	556	19
28A.410.090	AMD	396	5	28A.655.066	AMD	310	3

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
28A.655.075	AMD	556	15	28B.32.030	AMD	509	8
28A.655.180	AMD	543	3	28B.32.030	RECD	509	13
28A.655.200	AMD	539	1	28B.32.900	RECD	509	13
28A.660	ADD	192	3	28B.32.901	RECD	509	13
28A.660	ADD	468	6	28B.35.205	AMD	295	1
28A.660.040	AMD	166	1	28B.35.370	AMD	497	6021
28A.660.040	AMD	192	1	28B.35.370	AMD	499	5
28A.660.050	AMD	192	2	28B.50	ADD	151	4
28A.660.050	AMD	539	3	28B.50	ADD	521	75
28B	ADD	215	13,14	28B.50	ADD	536	9,10
28B.04.085	REP	560	4	28B.50.020	AMD	64	2
28B.10	ADD	407	2	28B.50.030	AMD	64	3
28B.10	ADD	521	73	28B.50.030	AMD	151	3
28B.10.115	AMD	207	1	28B.50.030	AMD	353	1
28B.10.350	AMD	229	2	28B.50.090	AMD	64	4
28B.10.590	AMD	241	1	28B.50.140	AMD	64	5
28B.10.660	AMD	297	1	28B.50.273	AMD	353	2
28B.12	ADD	215	12	28B.50.330	AMD	229	1
28B.12	ADD	446	2	28B.50.360	AMD	497	6022
28B.12.040	AMD	560	21	28B.50.360	AMD	499	6
28B.12.060	AMD	172	1	28B.50.465	AMD	573	2
28B.15	ADD	215	8	28B.50.468	AMD	573	3
28B.15	ADD	521	74	28B.50.535	AMD	524	2
28B.15	ADD	540	2	28B.50.837	AMD	564	1803
28B.15.012	AMD	220	1	28B.67.020	AMD	296	1
28B.15.0139	AMD	158	2	28B.67.030	AMD	296	2
28B.15.067	AMD	574	1	28B.67.030	AMD	564	1804
28B.15.068	AMD	540	1	28B.76.500	AMD	215	7
28B.15.0681	AMD	215	6	28B.76.565	AMD	564	1805
28B.15.210	AMD	497	6019	28B.76.610	AMD	564	1806
28B.15.210	AMD	499	1	28B.76.685	AMD	158	1
28B.15.310	AMD	497	6020	28B.92	ADD	215	3,10
28B.15.310	AMD	499	2	28B.92	ADD	238	8
28B.15.610	AMD	179	1	28B.92.030	AMD	215	5
28B.15.621	REMD	316	1	28B.92.030	AMD	238	7
28B.15.820	AMD	215	9	28B.92.060	AMD	215	4
28B.20	ADD	394	2	28B.92.080	AMD	238	9
28B.20	ADD	465	1	28B.92.110	AMD	238	10
28B.20	ADD	466	2	28B.101	ADD	215	2
28B.20.060	AMD	207	2	28B.101.005	REP	215	15
28B.20.715	AMD	499	7	28B.101.010	REP	215	15
28B.20.720	AMD	499	3	28B.101.020	REP	215	15
28B.20.735	AMD	499	8	28B.101.030	REP	215	15
28B.30	ADD	486	2	28B.101.040	REP	215	15
28B.30.530	AMD	486	1	28B.105.110	AMD	564	920
28B.30.730	AMD	499	9				1807
28B.30.740	AMD	499	4	28B.108.020	AMD	259	1
28B.32.010	AMD	509	6	28B.108.050	REP	259	3
28B.32.010	RECD	509	13	28B.108.060	AMD	259	2
28B.32.020	REP	509	14	28B.108.070	REP	259	3

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW				RCW			
		CH.	SEC.			CH.	SEC.
28B.116.020	AMD	560	20	29A.08.420	AMD	369	23
28B.116.040	REP	560	19	29A.08.430	AMD	369	24
28B.142.010	AMD	500	4	29A.08.440	AMD	369	25
28B.142.030	AMD	500	5	29A.08.510	AMD	369	26
28C.04.410	AMD	554	1	29A.08.520	AMD	325	1
28C.04.420	AMD	554	2	29A.08.520	AMD	369	27
28C.18	ADD	151	8	29A.08.605	REP	369	43
28C.18	ADD	238	2-6	29A.08.610	AMD	369	28
28C.18	ADD	536	8	29A.08.620	REMD	369	29
28C.18.010	AMD	151	5	29A.08.625	AMD	369	30
28C.18.060	AMD	151	6	29A.08.630	AMD	369	31
28C.18.080	AMD	92	1	29A.08.635	AMD	369	32
28C.18.080	AMD	151	7	29A.08.640	AMD	369	33
28C.18.080	AMD	421	6	29A.08.651	REP	369	43
29A.04	ADD	107	4	29A.08.720	AMD	369	34
29A.04.079	AMD	369	1	29A.08.760	AMD	369	35
29A.04.103	REP	369	43	29A.08.780	REP	369	43
29A.04.109	AMD	369	2	29A.24.070	AMD	106	1
29A.04.163	AMD	369	3	29A.24.091	AMD	106	2
29A.04.210	AMD	369	4	29A.32.031	AMD	415	2
29A.04.236	REP	415	13	29A.32.040	AMD	415	3
29A.04.245	REP	415	13	29A.32.050	AMD	415	4
29A.04.321	AMD	413	1,2	29A.32.070	REMD	415	5
29A.04.330	AMD	144	3	29A.32.090	AMD	222	3
29A.04.330	AMD	413	3,4	29A.36.111	AMD	414	1
29A.04.530	AMD	415	8	29A.40.010	AMD	369	36
29A.04.540	AMD	415	9	29A.40.020	AMD	369	37
29A.04.570	AMD	415	10	29A.40.061	AMD	369	38
29A.04.611	REMD	369	5	29A.40.061	AMD	415	6
29A.08.010	AMD	369	6	29A.40.091	AMD	369	39
29A.08.030	AMD	369	7	29A.40.110	REMD	369	40
29A.08.040	REP	369	43	29A.40.150	AMD	415	12
29A.08.105	AMD	369	8	29A.48.010	AMD	103	1
29A.08.107	AMD	369	9	29A.56	ADD	264	2
29A.08.110	AMD	369	10	29A.56.320	AMD	264	3
29A.08.113	REP	369	43	29A.60.040	AMD	414	2
29A.08.115	AMD	369	11	29A.60.235	AMD	369	41
29A.08.125	AMD	369	12	29A.72.025	AMD	415	7
29A.08.130	AMD	369	13	29A.80.041	AMD	106	3
29A.08.135	AMD	369	14	30.22	ADD	521	76
29A.08.140	AMD	369	15	30.60.010	AMD	486	3
29A.08.145	REP	369	43	31.04	ADD	120	1
29A.08.210	AMD	369	16				9-29
29A.08.230	AMD	369	17	31.04	ADD	149	1-10
29A.08.260	AMD	369	18	31.04	ADD	528	14
29A.08.310	AMD	369	19	31.04.015	AMD	120	2
29A.08.330	AMD	369	20	31.04.015	AMD	149	12
29A.08.350	AMD	369	21	31.04.025	AMD	120	3
29A.08.360	REP	369	43	31.04.025	AMD	311	1
29A.08.410	AMD	369	22	31.04.035	AMD	120	4

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
31.04.045	AMD	120	5	35.18.090	AMD	549	2024
31.04.102	AMD	120	6	35.18.110	AMD	549	2025
31.04.105	AMD	120	7	35.18.120	AMD	549	2026
31.04.115	AMD	149	13	35.18.130	AMD	549	2027
31.04.145	AMD	120	8	35.18.150	AMD	549	2028
31.04.165	AMD	120	30	35.18.170	AMD	549	2029
31.12	ADD	521	77	35.18.180	AMD	549	2030
31.45	ADD	510	5-7	35.18.190	AMD	549	2031
31.45.010	AMD	510	2	35.18.200	AMD	549	2032
31.45.073	AMD	510	3	35.18.280	AMD	549	2033
31.45.082	AMD	13	1	35.20	ADD	431	18
31.45.084	AMD	510	4	35.20.105	AMD	549	2034
34.05	ADD	93	1	35.20.131	AMD	549	2035
34.05	ADD	358	1	35.20.150	AMD	549	2036
34.05	ADD	521	2	35.20.170	AMD	549	2037
34.05.325	AMD	336	1	35.20.180	AMD	549	2038
34.05.350	AMD	559	1	35.20.190	AMD	549	2039
35.02.086	AMD	107	5	35.20.220	AMD	479	19
35.07.090	AMD	549	2001	35.20.240	AMD	549	2041
35.07.120	AMD	549	2002	35.21	ADD	432	2
35.07.130	AMD	549	2003	35.21	ADD	467	4
35.07.140	AMD	549	2004	35.21	ADD	521	78
35.07.150	AMD	549	2005	35.21.260	AMD	549	2042
35.07.170	AMD	549	2006	35.21.684	AMD	79	1
35.07.190	AMD	549	2007	35.21.717	AMD	535	1101
35.07.200	AMD	549	2008	35.21.850	AMD	549	2043
35.07.220	AMD	549	2009	35.22.130	AMD	549	2044
35.10.360	AMD	60	1	35.22.210	AMD	549	2045
35.10.365	AMD	60	2	35.22.280	AMD	549	2046
35.13	ADD	60	6,7	35.22.610	AMD	549	2047
35.13	ADD	402	3	35.22.620	AMD	229	3
35.13.010	AMD	402	2	35.23.010	AMD	549	2048
35.13.130	AMD	60	3	35.23.111	AMD	549	2049
35.13.171	AMD	549	2010	35.23.131	AMD	549	2050
35.13.215	AMD	60	4	35.23.144	AMD	549	2051
35.13.225	AMD	60	5	35.23.352	AMD	229	4
35.13A.090	AMD	549	2011	35.23.410	AMD	549	2052
35.14.030	AMD	549	2012	35.23.440	AMD	549	2053
35.14.060	AMD	549	2013	35.27.030	AMD	549	2054
35.17.060	AMD	549	2014	35.27.050	AMD	549	2055
35.17.070	AMD	549	2015	35.27.090	AMD	549	2056
35.17.080	AMD	549	2016	35.27.120	AMD	549	2057
35.17.150	AMD	549	2017	35.27.170	AMD	549	2058
35.17.280	AMD	549	2018	35.27.190	AMD	549	2059
35.18.005	REP	549	8001	35.27.230	AMD	549	2060
35.18.010	AMD	549	2019	35.27.280	AMD	549	2061
35.18.040	AMD	549	2020	35.27.310	AMD	549	2062
35.18.050	AMD	549	2021	35.27.330	AMD	549	2063
35.18.060	AMD	549	2022	35.27.340	AMD	549	2064
35.18.070	AMD	549	2023	35.32A.020	AMD	549	2065

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
35.32A.060	AMD	549	2066	35.58.400	AMD	549	2109
35.33.011	AMD	549	2067	35.58.460	AMD	549	2110
35.33.055	AMD	549	2068	35.58.530	AMD	549	2111
35.33.135	AMD	549	2069	35.61	ADD	467	5
35.33.170	AMD	549	2070	35.61.135	AMD	229	10
35.36.010	AMD	549	2071	35.61.230	AMD	549	2112
35.36.050	AMD	549	2072	35.63	ADD	459	9,13
35.36.060	AMD	549	2073	35.63.020	AMD	549	2113
35.37.120	AMD	549	2074	35.63.030	AMD	549	2114
35.38.050	AMD	549	2075	35.63.040	AMD	549	2115
35.39.060	AMD	549	2076	35.63.100	AMD	549	2116
35.43.030	AMD	237	1	35.68.020	AMD	549	2117
35.43.040	AMD	435	1	35.69.030	AMD	549	2118
35.44.190	AMD	549	2077	35.70.030	AMD	549	2119
35.44.220	AMD	549	2078	35.70.040	AMD	549	2120
35.44.230	AMD	549	2079	35.70.060	AMD	549	2121
35.44.270	AMD	549	2080	35.71.050	AMD	549	2122
35.45.080	AMD	549	2081	35.77.030	AMD	549	2123
35.45.090	AMD	549	2082	35.82.050	AMD	549	2124
35.45.130	AMD	549	2083	35.82.060	AMD	549	2125
35.45.150	AMD	549	2084	35.82.180	AMD	549	2126
35.49.010	AMD	549	2085	35.84.050	AMD	549	2127
35.49.040	AMD	549	2086	35.86A.060	AMD	549	2128
35.49.090	AMD	549	2087	35.87.010	REP	265	1
35.49.100	AMD	549	2088	35.87.020	REP	265	1
35.50.005	AMD	549	2089	35.87.030	REP	265	1
35.50.225	AMD	549	2090	35.87.040	REP	265	1
35.53.070	AMD	549	2091	35.88.050	AMD	549	2129
35.54	ADD	521	79	35.88.060	AMD	549	2130
35.54.100	AMD	549	2092	35.88.090	AMD	549	2131
35.55.070	AMD	549	2093	35.91.020	AMD	230	1
35.56.040	AMD	549	2094	35.91.020	AMD	344	1
35.56.080	AMD	549	2095	35.92.260	AMD	549	2132
35.56.140	AMD	549	2096	35.92.360	AMD	416	1
35.57.010	AMD	533	1	35.94.020	AMD	549	2133
35.57.020	REMD	533	2	35.94.030	AMD	549	2134
35.57.060	AMD	167	2	35.96.050	AMD	549	2135
35.58	ADD	515	13	35.101	ADD	442	2
35.58.070	AMD	549	2097	35.101.010	AMD	442	1
35.58.100	AMD	549	2098	35.102.150	AMD	461	4
35.58.130	AMD	549	2099	35.103	ADD	60	8
35.58.140	AMD	549	2100	35.104.060	AMD	564	921
35.58.150	AMD	549	2101	35.105.010	AMD	565	21
35.58.160	AMD	549	2102	35A.01	ADD	521	80
35.58.210	AMD	549	2103	35A.01.080	REP	549	8001
35.58.230	AMD	549	2104	35A.02.055	AMD	549	3001
35.58.265	AMD	549	2105	35A.06.050	AMD	7	1
35.58.270	AMD	549	2106	35A.08.020	AMD	549	3002
35.58.370	AMD	549	2107	35A.08.040	AMD	549	3003
35.58.390	AMD	549	2108	35A.08.050	AMD	549	3004

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
35A.12.010	AMD	549	3005	36.01	ADD	467	7
35A.12.030	AMD	549	3006	36.01.225	AMD	79	3
35A.12.065	AMD	549	3007	36.08.020	AMD	549	4001
35A.12.070	AMD	549	3008	36.08.070	AMD	549	4002
35A.12.080	AMD	549	3009	36.08.090	AMD	549	4003
35A.12.100	AMD	549	3010	36.09.020	AMD	549	4004
35A.12.110	AMD	549	3011	36.09.040	AMD	549	4005
35A.12.120	AMD	549	3012	36.13.040	AMD	549	4006
35A.12.130	AMD	549	3013	36.16.040	AMD	549	4007
35A.12.150	AMD	549	3014	36.16.060	AMD	549	4008
35A.12.170	AMD	549	3015	36.16.070	AMD	549	4009
35A.13.010	AMD	549	3016	36.16.087	AMD	549	4010
35A.13.020	AMD	549	3017	36.16.090	AMD	105	1
35A.13.030	AMD	549	3018	36.16.120	AMD	549	4011
35A.13.033	AMD	549	3019	36.17	ADD	521	81
35A.13.035	AMD	549	3020	36.17.042	AMD	239	1
35A.13.040	AMD	549	3021	36.17.045	AMD	337	1
35A.13.050	AMD	549	3022	36.17.050	AMD	337	2
35A.13.060	AMD	549	3023	36.18.012	AMD	417	1
35A.13.070	AMD	549	3024	36.18.012	AMD	479	20
35A.13.080	AMD	549	3025	36.18.016	AMD	417	2
35A.13.100	AMD	549	3026	36.18.018	AMD	572	3
35A.13.120	AMD	549	3027	36.18.020	REMD	417	3
35A.13.130	AMD	549	3028	36.18.020	REMD	479	21
35A.13.140	AMD	549	3029	36.18.020	REMD	572	4
35A.14	ADD	60	9-11	36.18.025	AMD	479	22
35A.14	ADD	402	5	36.18.030	AMD	549	4014
35A.14.010	AMD	402	4	36.18.050	AMD	549	4015
35A.14.190	AMD	549	3030	36.18.060	AMD	549	4016
35A.21	ADD	432	3	36.18.070	AMD	549	4017
35A.21	ADD	467	6	36.18.080	AMD	549	4018
35A.21.030	AMD	549	3031	36.18.090	AMD	549	4019
35A.21.312	AMD	79	2	36.18.110	REP	337	15
35A.33.010	AMD	549	3032	36.18.120	REP	337	15
35A.33.052	AMD	549	3033	36.18.130	REP	337	15
35A.33.135	AMD	549	3034	36.18.160	AMD	549	4021
35A.33.160	AMD	549	3035	36.18.180	AMD	549	4022
35A.36.010	AMD	549	3036	36.22.010	AMD	337	3
35A.36.050	AMD	549	3037	36.22.030	AMD	549	4023
35A.36.060	AMD	549	3038	36.22.040	AMD	549	4024
35A.40.210	AMD	229	5	36.22.050	AMD	549	4025
35A.42.010	AMD	549	3039	36.22.090	AMD	337	4
35A.42.030	AMD	549	3040	36.22.120	AMD	549	4026
35A.63	ADD	459	10	36.22.150	AMD	549	4027
35A.63.020	AMD	549	3041	36.22.170	AMD	337	5
35A.63.110	AMD	549	3042	36.22.179	AMD	462	1
35A.92	ADD	60	12	36.23.020	AMD	549	4028
36	ADD	45	1-5	36.23.040	AMD	549	4029
36	ADD	281	1	36.23.080	AMD	105	2
36.01	ADD	432	4	36.24.010	AMD	549	4031

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
36.24.020	AMD	549	4032	36.35.180	AMD	549	4075
36.24.040	AMD	549	4033	36.35.190	AMD	549	4076
36.24.070	AMD	549	4034	36.35.220	AMD	549	4077
36.24.080	AMD	549	4035	36.35.230	AMD	549	4078
36.24.090	AMD	549	4036	36.35.240	AMD	549	4079
36.24.110	AMD	549	4037	36.38.020	AMD	549	4080
36.24.155	AMD	549	4038	36.40.010	AMD	337	6
36.24.170	AMD	549	4039	36.40.030	AMD	337	7
36.24.180	AMD	549	4040	36.40.040	REMD	337	8
36.26.050	AMD	549	4041	36.40.050	AMD	337	9
36.26.060	AMD	549	4042	36.40.130	AMD	337	10
36.26.070	AMD	549	4043	36.40.210	AMD	337	11
36.26.080	AMD	549	4044	36.48.040	AMD	549	4084
36.27.010	AMD	549	4045	36.48.050	AMD	549	4085
36.27.030	AMD	549	4046	36.53.030	AMD	549	4086
36.27.040	AMD	549	4047	36.53.040	AMD	549	4087
36.27.050	AMD	549	4048	36.53.060	AMD	549	4088
36.27.070	AMD	549	4049	36.53.100	AMD	549	4089
36.28.010	AMD	549	4050	36.53.120	AMD	549	4090
36.28.020	AMD	549	4051	36.53.130	AMD	549	4091
36.28.030	AMD	549	4052	36.54.040	AMD	549	4092
36.28.040	AMD	549	4053	36.54.060	AMD	549	4093
36.28.050	AMD	549	4054	36.54.130	AMD	551	4
36.28.090	AMD	549	4055	36.55.050	AMD	549	4094
36.28.130	AMD	549	4056	36.57.050	AMD	549	4095
36.28.150	AMD	549	4057	36.57.090	AMD	549	4096
36.28.160	AMD	105	3	36.57A.050	AMD	549	4097
36.28.170	AMD	549	4059	36.57A.120	AMD	549	4098
36.28.180	AMD	549	4060	36.63.255	AMD	549	4099
36.28A.040	AMD	31	1	36.64.090	AMD	549	4100
36.29.024	AMD	553	1	36.67.530	AMD	549	4101
36.29.025	AMD	549	4061	36.68	ADD	467	8
36.29.130	AMD	549	4062	36.68.060	AMD	549	4102
36.29.170	AMD	105	4	36.69	ADD	467	9
36.32.050	AMD	549	4063	36.69.120	AMD	549	4103
36.32.060	AMD	549	4064	36.69.230	AMD	549	4104
36.32.100	AMD	549	4065	36.69.370	AMD	549	4105
36.32.135	AMD	549	4066	36.70	ADD	459	11
36.32.235	AMD	229	6	36.70.020	AMD	549	4106
36.32.240	AMD	229	7	36.70.080	AMD	549	4107
36.32.250	AMD	229	8	36.70.090	AMD	549	4108
36.32.310	AMD	549	4067	36.70.110	AMD	549	4109
36.32.330	AMD	549	4068	36.70.120	AMD	549	4110
36.33.070	AMD	549	4069	36.70.150	AMD	549	4111
36.33.080	AMD	549	4070	36.70.160	AMD	549	4112
36.33.190	AMD	549	4071	36.70.170	AMD	549	4113
36.34.070	AMD	549	4072	36.70.180	AMD	549	4114
36.34.150	AMD	549	4073	36.70.250	AMD	549	4115
36.34.200	AMD	549	4074	36.70.260	AMD	549	4116
36.34.205	AMD	153	1	36.70.400	AMD	549	4117

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
36.70.600	AMD	549	4118	36.93.160	AMD	549	4153
36.70.850	AMD	549	4119	36.94.060	AMD	549	4154
36.70.880	AMD	549	4120	36.94.290	AMD	549	4155
36.70A	ADD	459	12	36.94.340	AMD	549	4156
36.70A	ADD	514	2	36.95.060	AMD	549	4157
36.70A.030	AMD	565	22	36.95.100	AMD	549	4158
36.70A.110	AMD	121	1	36.95.110	AMD	549	4159
36.70A.110	AMD	342	1	36.95.150	AMD	549	4160
36.70A.115	AMD	121	3	36.95.160	AMD	549	4161
36.70A.130	AMD	479	23	36.96.020	AMD	337	12
36.70A.210	AMD	121	2	36.96.090	AMD	337	13
36.70A.540	AMD	80	1	36.100.160	AMD	167	1
36.70C.020	AMD	419	1	36.100.180	AMD	533	4
36.70C.130	AMD	419	2	38.04.020	AMD	549	1011
36.71.020	AMD	549	4121	38.12.020	AMD	21	1
36.71.040	AMD	549	4122	38.16.030	AMD	549	1012
36.71.050	AMD	549	4123	38.20.010	AMD	34	1
36.71.070	AMD	549	4124	38.32.010	AMD	378	1
36.73.020	AMD	515	14	38.32.020	AMD	378	2
36.76.120	AMD	549	4125	38.38	ADD	378	6,25,26
36.77.065	AMD	29	1	38.38.004	AMD	378	3
36.77.070	AMD	29	2	38.38.008	AMD	378	4
36.77.070	AMD	549	4126	38.38.024	AMD	378	5
36.78.090	AMD	549	4127	38.38.080	AMD	378	7
36.78.110	AMD	549	4128	38.38.092	AMD	378	8
36.79.160	AMD	549	4129	38.38.132	AMD	378	9
36.79.170	AMD	549	4130	38.38.180	AMD	378	10
36.80.015	AMD	105	5	38.38.188	AMD	378	11
36.80.020	AMD	549	4132	38.38.240	AMD	378	12
36.80.030	AMD	549	4133	38.38.244	AMD	378	13
36.80.050	AMD	549	4134	38.38.248	AMD	378	14
36.80.060	AMD	549	4135	38.38.312	AMD	378	15
36.81.050	AMD	549	4136	38.38.316	AMD	378	16
36.81.060	AMD	549	4137	38.38.376	AMD	378	17
36.82.100	AMD	549	4138	38.38.388	AMD	378	18
36.87.040	AMD	549	4139	38.38.396	AMD	378	19
36.88	ADD	521	82	38.38.408	AMD	378	20
36.88.040	AMD	549	4140	38.38.412	AMD	378	21
36.88.130	AMD	549	4141	38.38.624	AMD	378	22
36.88.150	AMD	549	4142	38.38.752	AMD	378	23
36.88.200	AMD	549	4143	38.38.760	AMD	378	24
36.88.250	AMD	549	4144	38.38.800	AMD	378	27
36.88.270	AMD	549	4145	38.38.840	AMD	378	28
36.88.300	AMD	549	4146	38.38.844	AMD	378	29
36.88.330	AMD	549	4147	38.38.848	AMD	378	30
36.88.450	AMD	549	4148	38.42	ADD	521	83
36.90.030	AMD	549	4149	38.52	ADD	521	84
36.92.030	AMD	549	4150	38.52.106	AMD	564	922
36.93.070	AMD	549	4151	39	ADD	270	101-107
36.93.110	AMD	549	4152				201,301

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
			401	39.76.010	REP	219	9
			701-703	39.76.020	AMD	219	5
			801-804	39.86.110	AMD	565	23
39.04	ADD	193	1	39.86.190	AMD	518	19
39.04.140	REP	219	9	39.94.010	AMD	500	6
39.04.155	AMD	74	1	39.94.030	AMD	500	7
39.04.320	AMD	197	1	39.102.020	AMD	267	1
39.04.350	AMD	197	2	39.102.070	AMD	267	2
39.04.901	AMD	219	1	39.102.110	AMD	267	3
39.08.030	AMD	473	1	39.102.120	AMD	267	4
39.10.230	AMD	75	1	39.102.140	AMD	267	5
39.10.250	AMD	75	2	39.102.140	AMD	518	12
39.10.270	AMD	75	3	39.102.150	AMD	267	6
39.10.300	AMD	75	4	39.102.195	AMD	267	7
39.10.310	REP	75	8	41.04	ADD	521	85
39.10.330	AMD	75	5	41.04.010	AMD	248	1
39.10.360	AMD	75	6	41.04.273	AMD	525	19
39.10.420	AMD	75	7	41.05	ADD	201	2
39.12	ADD	63	1	41.05	ADD	299	1,2
39.12.030	AMD	62	1	41.05	ADD	300	2-5
39.12.040	AMD	219	2	41.05	ADD	537	2
39.12.050	AMD	219	3	41.05.008	AMD	537	1
39.12.055	AMD	197	3	41.05.011	AMD	537	3
39.12.065	AMD	219	4	41.05.021	REMD	537	4
39.29.006	AMD	486	6	41.05.029	REP	488	2
39.29.011	AMD	486	7	41.05.050	AMD	537	5
39.29.018	AMD	486	8	41.05.053	REP	537	8
39.29.065	AMD	486	9	41.05.055	AMD	537	6
39.34	ADD	504	1	41.05.065	REMD	537	7
39.34.030	REEN	202	6	41.05.068	AMD	479	25
39.35D.010	AMD	519	8	41.05.080	AMD	522	9
39.42	ADD	500	2	41.05.080	AMD	523	1
39.42.060	REP	500	13	41.05.195	AMD	523	2
39.42.070	AMD	479	24	41.06	ADD	521	86
39.42.070	AMD	500	1	41.06.070	AMD	5	1
39.58	ADD	9	3	41.06.070	AMD	33	36
			15-17	41.06.133	AMD	5	2
39.58.010	AMD	9	1	41.06.133	AMD	534	2
39.58.040	AMD	9	2	41.06.170	AMD	534	3
39.58.050	AMD	9	4	41.06.500	AMD	5	3
39.58.060	AMD	9	5	41.14.020	AMD	112	1
39.58.065	REP	9	6	41.14.030	AMD	112	2
39.58.100	AMD	9	7	41.16	ADD	521	87
39.58.103	AMD	9	8	41.16.010	AMD	521	88
39.58.105	AMD	9	9	41.18	ADD	156	1
39.58.108	AMD	9	10	41.18	ADD	521	89
39.58.130	AMD	9	11	41.18.010	AMD	521	90
39.58.135	AMD	9	12	41.18.080	AMD	156	2
39.58.140	AMD	9	13	41.18.100	AMD	156	3
39.58.750	AMD	9	14	41.20	ADD	521	91

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
41.22.020	AMD	204	2	41.45.155	AMD	561	6
41.24	ADD	521	92	41.45.230	AMD	564	1808
41.26	ADD	157	1	41.48.060	AMD	564	923
41.26	ADD	521	93	41.48.065	AMD	171	1
41.26.030	AMD	523	3	41.48.080	AMD	171	2
41.26.048	AMD	523	4	41.50	ADD	30	1
41.26.160	AMD	226	1	41.50	ADD	521	101
41.26.460	AMD	523	5	41.50.110	AMD	564	924
41.26.470	AMD	95	1	41.54	ADD	521	102
41.26.470	AMD	523	6	41.56	ADD	126	1
41.26.510	AMD	226	2	41.56	ADD	396	11
41.26.510	AMD	523	7	41.59	ADD	396	10
41.26.520	AMD	205	8	41.68	ADD	521	103
41.26.520	AMD	523	8	42.04.060	AMD	428	1
41.28	ADD	521	94	42.17.2401	REMD	565	24
41.32	ADD	521	95	42.17.530	AMD	222	2
41.32.360	REP	110	1	42.23	ADD	521	104
41.32.366	REP	110	1	42.52	ADD	71	3
41.32.520	AMD	226	5	42.52	ADD	521	105
41.32.805	AMD	226	6	42.56	ADD	10	1
41.32.810	AMD	205	6	42.56.090	AMD	428	2
41.32.865	AMD	205	7	42.56.230	AMD	510	8
41.32.895	AMD	226	7	42.56.270	AMD	394	3
41.34	ADD	521	96	42.56.320	AMD	191	1
41.35	ADD	521	97	42.56.360	REMD	1	23,24
41.35.460	AMD	226	8	42.56.380	AMD	33	37
41.35.470	AMD	205	4	42.56.400	REMD	104	23
41.35.650	AMD	205	5	42.56.420	AMD	67	1
41.35.710	AMD	226	9	43	ADD	6	1-5
41.37	ADD	521	98	43	ADD	498	1-5
41.37.250	AMD	226	10	43	ADD	519	10-13
41.37.260	AMD	205	3	43.01	ADD	518	24
41.40	ADD	521	99	43.01.040	AMD	549	5001
41.40.010	AMD	430	1	43.01.050	AMD	549	5002
41.40.088	AMD	381	32	43.01.070	AMD	549	5003
41.40.270	AMD	111	1	43.03.011	AMD	549	5004
41.40.270	AMD	226	11	43.03.011	AMD	581	1
41.40.700	AMD	226	12	43.03.012	AMD	581	2
41.40.710	AMD	205	1	43.03.013	AMD	581	3
41.40.750	AMD	209	1	43.03.015	AMD	549	5005
41.40.805	AMD	205	2	43.03.020	AMD	549	5006
41.40.835	AMD	226	13	43.03.030	AMD	5	4
41.44	ADD	521	100	43.03.030	AMD	549	5007
41.45	ADD	561	8	43.03.040	AMD	5	5
41.45.010	AMD	561	1	43.03.110	AMD	549	5008
41.45.035	AMD	561	2	43.03.120	AMD	549	5009
41.45.060	AMD	561	3	43.03.170	AMD	549	5010
41.45.0631	REMD	561	7	43.03.180	AMD	549	5011
41.45.070	AMD	561	4	43.03.200	AMD	549	5012
41.45.150	AMD	561	5	43.03.310	AMD	564	925

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW			CH.	SEC.	RCW			CH.	SEC.
43.06	ADD	545		2	43.10.030	AMD	549		5048
43.06.020	AMD	549		5013	43.10.060	AMD	549		5049
43.06.040	AMD	549		5014	43.10.080	AMD	549		5050
43.06.050	AMD	549		5015	43.10.090	AMD	549		5051
43.06.055	AMD	549		5016	43.10.110	AMD	549		5052
43.06.070	AMD	549		5017	43.10.115	AMD	549		5053
43.06.080	AMD	549		5018	43.10.120	AMD	549		5054
43.06.090	AMD	549		5019	43.10.130	AMD	549		5055
43.06.110	AMD	549		5020	43.10.160	AMD	549		5056
43.06.120	AMD	549		5021	43.10.170	AMD	549		5057
43.06.200	AMD	549		5022	43.10.180	AMD	564		930
43.06.270	AMD	549		5023	43.10.240	AMD	560		26
43.06A.085	AMD	88		2	43.15.020	AMD	560		27
43.07	ADD	71		2	43.17.010	AMD	565		25
43.07.010	AMD	549		5024	43.17.020	AMD	565		26
43.07.020	AMD	549		5025	43.17.030	AMD	549		5058
43.07.030	AMD	549		5026	43.17.040	AMD	549		5059
43.07.040	AMD	549		5027	43.17.050	AMD	549		5060
43.07.050	AMD	549		5028	43.17.060	AMD	549		5061
43.07.090	AMD	549		5029	43.17.100	AMD	549		5062
43.07.110	AMD	549		5030	43.17.150	AMD	479		27
43.07.310	AMD	415		11	43.17.390	AMD	564		931
43.07.370	AMD	71		1	43.19.180	AMD	549		5063
43.08	ADD	9		18	43.19.1905	AMD	486		10
43.08.010	AMD	549		5031	43.19.1908	AMD	486		11
43.08.020	AMD	549		5032	43.19.1915	AMD	549		5064
43.08.030	AMD	549		5033	43.19.1937	AMD	549		5065
43.08.040	AMD	549		5034	43.19.200	AMD	549		5066
43.08.050	AMD	549		5035	43.19.501	AMD	564		932
43.08.062	AMD	549		5036	43.19.534	AMD	470		717
43.08.066	AMD	549		5037	43.19.595	AMD	549		5067
43.08.068	AMD	549		5038	43.19.600	AMD	549		5068
43.08.070	AMD	549		5039	43.19.620	AMD	549		5069
43.08.080	AMD	549		5040	43.19.630	AMD	549		5070
43.08.100	AMD	549		5041	43.19.635	AMD	549		5071
43.08.120	AMD	549		5042	43.19.642	AMD	470		716
43.08.130	AMD	549		5043	43.19.648	AMD	459		7
43.08.135	AMD	549		5044	43.19A	ADD	356		2
43.08.150	AMD	549		5045	43.19A.020	AMD	356		3
43.08.190	AMD	564		926	43.19A.050	AMD	356		4
43.08.250	AMD	479		26	43.20.030	AMD	549		5072
43.08.290	AMD	127		1	43.20.050	AMD	495		1
43.09.260	AMD	564		927	43.20.100	AMD	518		23
43.09.280	AMD	337		14	43.20.240	AMD	495		2
43.09.282	AMD	564		928	43.20A.040	AMD	549		5073
43.09.475	AMD	564		929	43.20A.110	AMD	549		5074
43.10	ADD	146		3	43.20A.310	AMD	549		5075
43.10	ADD	520		7	43.20A.320	AMD	549		5076
43.10.010	AMD	549		5046	43.20A.415	AMD	549		5077
43.10.020	AMD	549		5047	43.20A.560	REP	545		8

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
43.20A.605	AMD	549	5078	43.24.150	AMD	429	4
43.20A.635	AMD	549	5079	43.27A.190	AMD	549	5111
43.20A.660	AMD	549	5080	43.30	ADD	163	2-4
43.20A.710	AMD	580	5	43.30.020	AMD	163	6
43.20B	ADD	521	106	43.30.305	AMD	564	1809
43.21A.050	AMD	549	5081	43.30.385	AMD	354	9
43.21A.067	AMD	549	5082	43.30.490	REMD	97	9
43.21A.090	AMD	549	5083	43.31.455	AMD	565	28
43.21A.100	AMD	549	5084	43.31.522	AMD	565	29
43.21A.140	AMD	549	5085	43.31.800	AMD	565	30
43.21A.350	AMD	421	7	43.31C.010	AMD	565	31
43.21A.600	AMD	549	5086	43.33.040	AMD	549	5112
43.21A.605	AMD	549	5087	43.37.050	AMD	549	5113
43.21A.610	AMD	549	5088	43.37.120	AMD	549	5114
43.21A.620	AMD	549	5089	43.37.150	AMD	549	5115
43.21A.630	AMD	549	5090	43.37.160	AMD	549	5116
43.21A.667	AMD	564	933	43.37.170	AMD	549	5117
43.21A.690	AMD	97	8	43.41	ADD	348	2
43.21B.020	AMD	549	5091	43.41	ADD	548	204,601
43.21B.050	AMD	549	5092	43.41.060	AMD	549	5118
43.21B.060	AMD	549	5093	43.41.100	AMD	549	5119
43.21B.080	AMD	549	5094	43.41.106	AMD	549	5120
43.21B.110	AMD	183	17	43.41.130	AMD	519	6
43.21B.110	AMD	332	18	43.41.260	AMD	479	28
43.21B.110	AMD	456	16	43.41.270	REMD	345	12
43.21B.300	AMD	178	2	43.41.360	AMD	549	5121
43.21B.300	AMD	456	17	43.41.400	AMD	548	201
43.21B.310	AMD	178	3	43.42	ADD	97	13
43.21B.310	AMD	456	18	43.42.005	AMD	97	1
43.21C	ADD	459	8	43.42.010	REMD	97	4
43.21C.010	AMD	549	5095	43.42.020	AMD	97	2
43.21C.020	AMD	549	5096	43.42.030	AMD	97	3
43.21E.010	AMD	549	5097	43.42.050	AMD	97	5
43.21F.025	AMD	565	27	43.42.060	AMD	97	6
43.21F.405	AMD	549	5098	43.42.060	AMD	421	8
43.21G.080	AMD	549	5099	43.42.070	AMD	97	7
43.22.310	AMD	549	5100	43.43	ADD	108	1
43.22.400	AMD	549	5101	43.43	ADD	521	107
43.22.485	AMD	549	5102	43.43.040	AMD	549	5122
43.23.015	AMD	549	5103	43.43.110	AMD	549	5123
43.23.033	AMD	33	38	43.43.120	AMD	522	1
43.23.090	AMD	549	5104	43.43.120	AMD	549	5124
43.23.110	AMD	549	5105	43.43.130	AMD	549	5125
43.23.120	AMD	549	5106	43.43.135	AMD	549	5126
43.23.130	AMD	549	5107	43.43.260	AMD	205	9
43.23.160	AMD	549	5108	43.43.260	AMD	522	2
43.24.090	AMD	549	5109	43.43.270	AMD	226	3
43.24.115	AMD	549	5110	43.43.270	AMD	522	3
43.24.150	AMD	370	19	43.43.271	AMD	522	4
43.24.150	AMD	412	21	43.43.278	AMD	522	5

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW			CH.	SEC.	RCW			CH.	SEC.
43.43.280	AMD	522		6	43.78.020	AMD	549		5147
43.43.285	REMD	522		7	43.78.070	AMD	549		5148
43.43.295	AMD	226		4	43.78.110	AMD	486		12
43.43.295	AMD	522		8	43.78.170	AMD	356		5
43.43.330	AMD	549		5127	43.79	ADD	572		5
43.43.350	AMD	549		5128	43.79.074	AMD	549		5149
43.43.370	AMD	549		5129	43.79.201	AMD	564		935
43.43.735	AMD	549		5130	43.79.280	AMD	549		5150
43.43.750	AMD	549		5131	43.79.303	AMD	549		5151
43.43.815	AMD	549		5132	43.79.313	AMD	549		5152
43.43.837	AMD	580		6	43.79.323	AMD	549		5153
43.43.838	AMD	170		1	43.79.343	AMD	549		5154
43.43.845	AMD	396		8	43.79.393	AMD	549		5155
43.43.858	REP	560		24	43.79.460	AMD	4		902
43.43.860	REP	560		24	43.79.460	AMD	518		21
43.43.862	REP	560		24	43.79.465	AMD	4		903
43.43.864	REP	560		24	43.79.480	AMD	479		30
43.43.866	AMD	560		25	43.79.480	AMD	564		937
43.44.100	REP	518		10	43.79.485	AMD	4		904
43.46.090	AMD	549		5134	43.79A.020	AMD	549		5156
43.52.290	AMD	549		5135	43.79A.040	REMD	87		4
43.52.374	AMD	549		5136	43.80.130	AMD	549		5157
43.52.375	AMD	173		1	43.82.140	AMD	549		5158
43.52.378	AMD	549		5138	43.83B.220	AMD	549		5159
43.52A.050	AMD	549		5139	43.83B.360	AMD	564		938
43.56	ADD	521		108	43.84.041	AMD	549		5160
43.56.010	AMD	218		1	43.84.092	AMD	451		7
43.56.020	AMD	218		2	43.84.092	REMD	451		8
43.56.040	AMD	218		3	43.84.092	REMD	472		5
43.56.050	REP	218		4	43.84.092	REMD	479		31
43.59.010	AMD	549		5141	43.84.120	AMD	549		5161
43.59.030	AMD	549		5142	43.85.070	AMD	549		5162
43.59.060	AMD	549		5143	43.85.190	AMD	549		5163
43.59.080	AMD	549		5144	43.86A.020	AMD	549		5164
43.63A.068	AMD	518		18	43.86A.030	AMD	384		2
43.63A.125	AMD	497		6023	43.86A.060	AMD	384		1
43.63A.305	AMD	148		1	43.86A.060	AMD	385		3
43.63A.307	AMD	148		2	43.88.067	REP	518		10
43.63A.740	AMD	387		2	43.88.100	AMD	549		5165
43.70	ADD	564		934	43.88.110	AMD	518		3
43.70.050	AMD	343		2	43.89.040	AMD	549		5166
43.70.056	AMD	244		2	43.99H.060	AMD	479		32
43.70.110	AMD	403		5	43.99H.060	AMD	500		8
43.70.112	AMD	558		2	43.99K.030	AMD	479		33
43.70.210	AMD	549		5145	43.99L.040	AMD	479		34
43.70.518	REP	518		10	43.99N.060	AMD	497		6026
43.70.630	AMD	97		10	43.99N.110	REP	500		12
43.70.690	AMD	518		8	43.99Q.120	AMD	500		9
43.72.900	REP	479		29	43.99Q.130	AMD	500		10
43.78.010	AMD	549		5146	43.101	ADD	19		1,2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
43.101.040	AMD	549	5167	43.215	ADD	520	94
43.101.050	AMD	549	5168	43.215	ADD	521	110
43.101.070	AMD	549	5169	43.215.125	AMD	564	941
43.101.095	AMD	139	1	43.235	ADD	521	111
43.101.220	AMD	146	2	43.300.080	AMD	97	11
43.101.380	AMD	25	1	43.320.100	AMD	518	11
43.105	ADD	509	2-5	43.320.1401	AMD	518	2
			9,10,13	43.320.160	AMD	386	1
43.105.020	AMD	486	14	43.320.160	REP	386	5
43.105.020	AMD	509	7	43.320.165	AMD	386	2
43.105.020	AMD	565	32	43.320.165	REP	386	5
43.105.041	AMD	486	13	43.320.170	AMD	386	3
43.105.350	REP	509	14	43.320.170	REP	386	5
43.115.040	AMD	549	5170	43.325.010	AMD	451	2
43.117.040	AMD	549	5171	43.325.010	AMD	565	41
43.117.050	AMD	549	5172	43.325.020	AMD	451	3
43.117.090	AMD	549	5173	43.325.030	AMD	451	4
43.126.025	AMD	549	5174	43.325.040	AMD	451	5
43.126.065	AMD	549	5175	43.325.040	AMD	564	942
43.130.040	AMD	549	5176	43.325.050	AMD	518	20
43.130.050	AMD	549	5177	43.325.070	AMD	451	6
43.131.402	AMD	421	10	43.330	ADD	379	205-209
43.135.025	AMD	479	35	43.330	ADD	536	2,4
43.135.035	REMD	479	36	43.330	ADD	565	4
43.135.045	REMD	479	37	43.330.007	AMD	565	1
43.135.045	REMD	564	939	43.330.010	AMD	565	2
43.155.020	AMD	565	33	43.330.020	AMD	565	3
43.155.050	AMD	564	940	43.330.080	AMD	151	10
43.155.070	AMD	518	16	43.330.082	AMD	518	15
43.157.005	AMD	421	1	43.330.090	AMD	151	1
43.157.010	AMD	421	2	43.330.092	AMD	565	5
43.157.010	AMD	565	34	43.330.094	AMD	565	6
43.157.020	AMD	421	3	43.330.125	AMD	565	7
43.157.030	AMD	421	4	43.330.135	AMD	565	8
43.160.020	REMD	565	35	43.330.167	AMD	565	9
43.162.020	AMD	151	9	43.330.170	AMD	565	10
43.167.010	AMD	516	1	43.330.210	AMD	565	11
43.167.020	AMD	516	2	43.330.240	AMD	565	12
43.167.030	AMD	516	3	43.330.250	AMD	564	943
43.168.020	AMD	565	36	43.330.250	AMD	565	13
43.180	ADD	65	3	43.330.270	AMD	72	1
43.180	ADD	521	109	43.330.280	AMD	72	2
43.180.020	AMD	65	2	43.330.280	AMD	565	14
43.180.160	AMD	291	1	43.330.290	AMD	565	15
43.185	ADD	379	301	43.330.300	AMD	565	16
43.185.020	AMD	565	37	43.330.900	AMD	565	17
43.185A.010	AMD	565	38	43.336.010	AMD	565	42
43.185B.010	AMD	565	39	43.336.020	AMD	549	5178
43.185C.010	AMD	565	40	43.336.060	AMD	518	13
43.185C.040	AMD	518	17	43.338.010	AMD	565	43

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
43.360.010	AMD	565	44	46.20.075	AMD	125	1
43.362	ADD	474	3-7	46.20.118	REMD	366	1
43.362.005	AMD	474	1	46.20.155	AMD	369	42
43.362.010	AMD	474	2	46.20.270	AMD	181	1
43.362.010	AMD	565	45	46.20.500	REMD	275	4
43.365.010	AMD	565	46	46.25.010	REMD	181	2
43.365.020	AMD	100	1	46.25.060	AMD	339	1
43.365.040	AMD	518	14	46.32	ADD	46	7
43.370.020	AMD	343	1	46.32.080	AMD	46	1
44.04.100	AMD	549	6001	46.32.085	AMD	46	2
44.04.120	AMD	549	6002	46.32.090	AMD	46	3
44.04.280	AMD	377	1	46.32.100	AMD	46	4
44.16.010	AMD	549	6003	46.37	ADD	284	3
44.16.030	AMD	549	6004	46.37.430	AMD	142	1
44.16.040	AMD	549	6005	46.37.470	AMD	256	1
44.16.070	AMD	549	6006	46.37.530	AMD	275	5
44.16.080	AMD	549	6007	46.44.050	AMD	275	6
44.16.090	AMD	549	6008	46.44.110	AMD	393	1
44.16.100	AMD	549	6009	46.48.180	REP	518	10
44.16.120	AMD	549	6010	46.52.130	AMD	276	1
44.16.140	AMD	549	6011	46.55.120	AMD	387	3
44.16.160	AMD	549	6012	46.61	ADD	383	1
44.16.170	AMD	549	6013	46.61.5058	AMD	479	38
44.20.060	AMD	549	6014	46.61.527	AMD	470	713
44.39.050	AMD	549	6015	46.61.560	AMD	274	1
44.39.060	AMD	549	6016	46.61.610	AMD	275	7
44.48.050	AMD	549	6017	46.61.688	AMD	275	8
44.48.060	AMD	549	6018	46.61.710	AMD	275	9
44.48.110	AMD	549	6019	46.63.020	AMD	485	6
44.73	ADD	228	1,3	46.63.110	REMD	479	39
46	ADD	485	1-5	46.63.160	REMD	272	1
46.01.130	AMD	169	1	46.63.170	AMD	470	714
46.01.260	AMD	276	2	46.64.055	AMD	479	40
46.04	ADD	142	2	46.66.080	AMD	564	945
46.04	ADD	521	112	46.68	ADD	8	505
46.04.304	AMD	275	1	46.68.060	AMD	470	711
46.04.330	AMD	275	2	46.68.065	AMD	8	502
46.04.336	AMD	275	3	46.68.170	AMD	470	701
46.09.170	REEN	187	2	46.68.220	AMD	8	503
46.09.170	REMD	564	944	46.68.220	AMD	470	712
46.12.295	REP	233	1	46.70.180	AMD	49	1
46.12.440	AMD	284	1	46.70.180	AMD	123	1
46.16.006	AMD	159	1	46.74.010	REMD	557	5
46.16.076	AMD	512	1	46.82.280	AMD	101	1
46.16.162	AMD	452	1	46.82.300	AMD	101	2
46.16.615	AMD	46	5	46.82.310	AMD	101	3
46.16.680	AMD	284	2	46.82.320	AMD	101	4
46.16.685	AMD	470	704	46.82.325	AMD	101	5
46.16.725	AMD	470	710	46.82.330	AMD	101	6
46.20	ADD	490	1	46.82.360	AMD	101	7

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
46.93.080	AMD	232	1	48.02.030	AMD	549	7003
46.93.170	AMD	517	1	48.02.060	AMD	335	1
46.96.080	AMD	12	1	48.02.080	AMD	549	7005
47.01	ADD	260	2	48.02.090	AMD	549	7006
47.01	ADD	458	1	48.02.100	AMD	549	7007
47.01	ADD	471	1	48.02.110	AMD	549	7008
47.01	ADD	515	16	48.02.130	AMD	549	7009
47.01.380	AMD	470	705	48.02.140	AMD	549	7010
47.01.390	AMD	470	706	48.02.150	AMD	549	7011
47.04	ADD	346	2	48.02.170	AMD	549	7012
47.04	ADD	392	1	48.02.190	AMD	161	1
47.05	ADD	262	1	48.03.020	AMD	162	1
47.06.140	REMD	514	3	48.03.030	AMD	549	7013
47.06B	ADD	515	1	48.04.030	AMD	549	7014
			9-11	48.05.110	AMD	549	7015
47.06B.010	AMD	515	3	48.05.150	AMD	549	7016
47.06B.020	AMD	515	4	48.05.160	AMD	549	7017
47.06B.050	AMD	515	8	48.05.210	AMD	549	7018
47.06B.900	AMD	515	17	48.05.290	AMD	549	7019
47.06B.901	AMD	515	18	48.05.370	AMD	549	7020
47.10	ADD	498	8-14	48.06.050	AMD	549	7021
			16-18	48.06.070	AMD	549	7022
47.10.867	AMD	498	6	48.06.100	AMD	549	7023
47.12.244	AMD	470	709	48.06.110	AMD	549	7024
47.17.577	AMD	184	1	48.06.180	AMD	549	7025
47.26.167	AMD	260	1	48.07	ADD	150	6,7
47.26.167	RECD	260	2	48.07.080	AMD	549	7026
47.29.170	AMD	470	702	48.07.150	AMD	549	7027
47.36	ADD	275	10	48.07.160	AMD	150	1
47.38	ADD	459	14,15	48.07.170	AMD	150	2
47.39.020	AMD	277	1	48.07.180	AMD	150	3
47.56	ADD	472	2-4	48.07.190	AMD	150	4
			6	48.07.200	AMD	150	5
47.56.165	AMD	567	1	48.08.020	AMD	549	7028
47.56.850	AMD	498	15	48.08.090	AMD	549	7029
47.60.395	AMD	470	707	48.08.100	AMD	549	7030
47.60.645	AMD	8	504	48.08.110	AMD	549	7031
47.68.090	AMD	470	718	48.08.120	AMD	549	7032
47.76.250	AMD	160	1	48.08.130	AMD	549	7033
47.80.023	AMD	515	15	48.08.140	AMD	549	7034
48	ADD	119	1-9	48.08.170	AMD	549	7035
48	ADD	175	1-20	48.09.130	AMD	549	7036
48	ADD	298	2,5,6	48.09.160	AMD	549	7037
			8-10	48.09.220	AMD	549	7038
48	ADD	314	1-17	48.09.230	AMD	549	7039
48	ADD	334	1-10	48.09.270	AMD	549	7040
			12,13	48.10.140	AMD	549	7041
48.01.050	AMD	314	19	48.10.170	AMD	549	7042
48.02.010	AMD	549	7001	48.10.200	AMD	549	7043
48.02.020	AMD	549	7002	48.10.250	AMD	549	7044

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
48.10.260	AMD	549	7045	48.18.120	AMD	549	7068
48.10.270	AMD	549	7046	48.18.130	AMD	549	7069
48.10.280	AMD	549	7047	48.18.293	AMD	549	7070
48.10.300	AMD	549	7048	48.18.340	AMD	549	7071
48.10.330	AMD	549	7049	48.18.375	AMD	549	7072
48.10.340	AMD	549	7050	48.18.400	AMD	549	7073
48.11.080	AMD	549	7051	48.18.410	AMD	549	7074
48.12.010	AMD	549	7052	48.18.420	AMD	549	7075
48.12.080	AMD	549	7053	48.18.440	AMD	549	7076
48.12.140	AMD	549	7054	48.18.450	AMD	549	7077
48.13.350	AMD	549	7055	48.18A.020	AMD	549	7078
48.13.450	AMD	161	2	48.19.080	AMD	549	7079
48.14.010	AMD	119	10	48.19.090	AMD	549	7080
48.14.010	AMD	162	2	48.19.100	AMD	549	7081
48.14.020	AMD	161	3	48.19.110	AMD	549	7082
48.14.0201	REMD	479	41	48.19.120	AMD	549	7083
48.14.070	AMD	549	7056	48.19.180	AMD	549	7084
48.14.080	AMD	535	1102	48.19.190	AMD	549	7085
48.14.090	AMD	161	4	48.19.220	AMD	549	7086
48.15	ADD	162	6	48.19.250	AMD	549	7087
			8-12	48.19.290	AMD	549	7088
48.15.070	AMD	162	3	48.19.310	AMD	549	7089
48.15.073	AMD	162	4	48.19.330	AMD	549	7090
48.15.100	AMD	162	5	48.19.340	AMD	549	7091
48.15.110	AMD	549	7058	48.19.350	AMD	549	7092
48.15.120	AMD	549	7059	48.19.360	AMD	549	7093
48.15.140	AMD	162	7	48.19.370	AMD	549	7094
48.15.170	AMD	549	7060	48.19.410	AMD	549	7095
48.16.080	AMD	549	7061	48.20	ADD	521	115
48.16.100	AMD	549	7062	48.20.062	AMD	549	7096
48.17	ADD	521	113	48.20.082	AMD	549	7097
48.17.010	AMD	162	13	48.20.172	AMD	549	7098
48.17.060	AMD	162	14	48.20.192	AMD	549	7099
48.17.090	AMD	162	15	48.20.222	AMD	549	7100
48.17.110	AMD	162	16	48.20.242	AMD	549	7101
48.17.150	AMD	162	17	48.21	ADD	521	116
48.17.160	AMD	162	18	48.21.045	AMD	131	1
48.17.170	AMD	119	11	48.21.060	AMD	549	7102
48.17.170	AMD	162	19	48.21.110	AMD	549	7103
48.17.173	AMD	162	20	48.21A	ADD	521	117
48.17.250	AMD	162	21	48.21A.030	AMD	549	7104
48.17.270	AMD	162	22	48.21A.060	AMD	549	7105
48.17.380	AMD	162	23	48.22	ADD	521	118
48.17.430	AMD	549	7063	48.22.030	AMD	549	7106
48.17.565	AMD	162	24	48.23	ADD	18	2
48.18	ADD	521	114	48.23	ADD	76	1
48.18.020	AMD	549	7064	48.23	ADD	521	119
48.18.050	AMD	549	7065	48.23.070	AMD	549	7107
48.18.070	AMD	549	7066	48.24	ADD	76	2
48.18.090	AMD	549	7067	48.24	ADD	521	120

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
48.24.120	AMD	549	7108	48.43	ADD	82	2
48.24.130	AMD	549	7109	48.43	ADD	329	3
48.24.140	AMD	549	7110	48.43	ADD	487	1
48.24.170	AMD	549	7111	48.43	ADD	521	125
48.24.180	AMD	549	7112	48.43.018	REMD	42	1
48.24.190	AMD	549	7113	48.43.510	AMD	304	1
48.24.200	AMD	549	7114	48.44	ADD	521	126
48.25	ADD	521	121	48.44.023	AMD	131	2
48.25.180	AMD	549	7115	48.44.040	AMD	549	7145
48.25.190	AMD	549	7116	48.44.090	AMD	549	7146
48.27	ADD	14	1	48.44.145	AMD	549	7147
48.28.020	AMD	549	7117	48.44.160	AMD	549	7148
48.29	ADD	521	122	48.44.170	AMD	549	7149
48.30	ADD	521	123	48.46	ADD	521	127
48.30.020	AMD	549	7118	48.46.040	AMD	549	7150
48.30.120	AMD	549	7119	48.46.066	AMD	131	3
48.30.130	AMD	549	7120	48.46.110	AMD	549	7151
48.30.140	AMD	329	1	48.46.120	AMD	549	7152
48.30.150	AMD	329	2	48.46.200	AMD	549	7153
48.30.250	AMD	549	7121	48.46.240	AMD	549	7154
48.30.260	AMD	162	25	48.56.040	AMD	549	7155
48.30.270	AMD	162	26	48.56.050	AMD	549	7156
48.31.010	AMD	549	7122	48.56.060	AMD	549	7157
48.31.050	AMD	549	7123	48.56.110	AMD	549	7158
48.31.060	AMD	549	7124	48.62.121	AMD	162	29
48.31.080	AMD	549	7125	48.62.151	AMD	162	30
48.31.090	AMD	549	7126	48.66	ADD	521	128
48.31.111	AMD	162	27	48.66	ADD	555	1
48.31.141	AMD	162	28	48.66.045	AMD	161	5
48.31.190	AMD	549	7127	48.76	ADD	521	129
48.31.210	AMD	549	7128	48.99.020	AMD	549	7159
48.31.220	AMD	549	7129	48.99.030	AMD	162	31
48.31.230	AMD	549	7130	48.99.050	AMD	549	7160
48.31.240	AMD	549	7131	48.99.060	AMD	549	7161
48.31.270	AMD	549	7132	48.102	ADD	104	1-22
48.31.290	AMD	549	7133				24,26
48.31.310	AMD	549	7134	48.102.005	REP	104	27
48.31.340	AMD	549	7135	48.102.010	REP	104	27
48.31.350	AMD	549	7136	48.102.015	REP	104	27
48.31.360	AMD	549	7137	48.102.020	REP	104	27
48.32.080	AMD	549	7138	48.102.025	REP	104	27
48.32.090	AMD	549	7139	48.102.030	REP	104	27
48.32.110	AMD	549	7140	48.102.035	REP	104	27
48.32.150	AMD	549	7141	48.102.040	REP	104	27
48.32.170	AMD	549	7142	48.102.045	REP	104	27
48.34.100	AMD	549	7143	48.102.050	REP	104	27
48.34.120	AMD	549	7144	48.102.055	REP	104	27
48.41	ADD	521	124	48.102.900	REP	104	27
48.41.060	AMD	555	2	48.102.901	REP	104	27
48.41.100	AMD	555	3,4	48.135.010	AMD	162	32

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
48.150.010	AMD	552	1	50.60.070	AMD	3	10
48.150.040	AMD	552	2	50.60.090	AMD	3	11
48.150.050	AMD	552	3	50.60.100	AMD	3	12
49	ADD	294	5	51.04	ADD	432	10
49.04	ADD	536	12	51.08	ADD	521	138
49.12	ADD	521	130	51.12.020	AMD	162	33
49.24.140	AMD	549	1013	51.32.099	AMD	353	5
49.24.150	AMD	549	1014	51.48	ADD	196	1
49.24.220	AMD	549	1015	51.52	ADD	391	1
49.48	ADD	521	131	52.04.061	AMD	115	1
49.60	ADD	467	2,3	52.04.071	AMD	115	2
49.60.030	AMD	164	1	52.04.081	AMD	115	3
49.60.040	REEN	187	3	52.04.091	AMD	115	4
49.60.215	AMD	164	2	52.04.101	AMD	115	5
49.74	ADD	521	132	52.04.111	AMD	115	6
49.77	ADD	521	133	52.04.121	AMD	115	7
49.78	ADD	521	134	52.04.131	AMD	115	8
49.78.020	AMD	521	135	52.14.110	AMD	229	9
49.86	ADD	521	136	53.08.120	AMD	74	2
49.86.030	AMD	544	1	54.16.032	AMD	416	2
49.86.170	AMD	4	905	54.24.010	AMD	173	2
49.86.210	AMD	544	2	57.08.005	AMD	253	1
50.04	ADD	521	137	57.08.044	AMD	253	2
50.12	ADD	536	11	57.08.047	AMD	253	3
50.12.070	AMD	432	11	57.08.050	REMD	229	11
50.16.010	AMD	4	906	57.16.010	AMD	253	4
50.16.010	AMD	564	946	58.17.310	AMD	145	1
50.20	ADD	3	2	59.12	ADD	292	11
50.20.050	AMD	247	1	59.18	ADD	521	139
50.20.050	AMD	493	3	59.18.085	AMD	165	1
50.20.120	AMD	3	3	59.18.570	AMD	395	1
50.22	ADD	3	4,6	59.18.575	AMD	395	2
50.22	ADD	566	7	59.20	ADD	521	140
50.22.010	AMD	493	4	59.21	ADD	521	141
50.22.130	AMD	353	3	59.21.010	AMD	565	47
50.22.150	AMD	3	5	59.22	ADD	521	142
50.22.150	AMD	353	4	59.22.020	AMD	565	48
50.24.014	AMD	566	2	60.28.010	REP	219	9
50.29.010	AMD	83	1	60.28.011	REMD	219	6
50.29.021	AMD	3	13	60.28.011	REMD	432	5
50.29.021	AMD	50	1	60.28.020	REP	219	9
50.29.021	AMD	493	1	60.28.021	AMD	432	6
50.29.025	AMD	3	14	60.28.040	AMD	219	7
50.29.025	AMD	493	2	60.28.040	AMD	432	7
50.29.062	AMD	225	1	60.28.050	REP	219	9
50.29.063	AMD	225	2	60.28.051	AMD	432	8
50.38.050	AMD	151	2	60.28.060	AMD	432	9
50.60.020	AMD	3	7	60.28.080	AMD	219	8
50.60.030	AMD	3	8	61.12.150	AMD	122	1
50.60.060	AMD	3	9	61.24	ADD	292	2-4

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
			6	66.24.354	AMD	507	4
61.24.005	AMD	292	1	66.24.360	AMD	507	5
61.24.010	AMD	292	7	66.24.371	AMD	373	6
61.24.030	REMD	292	8	66.24.371	AMD	507	6
61.24.040	AMD	292	9	66.24.395	AMD	507	7
61.24.060	AMD	292	10	66.24.400	AMD	507	8
61.34.020	AMD	15	1	66.24.420	REMD	271	7
62A.1	ADD	521	143	66.24.420	REMD	507	9
62A.3-540	AMD	185	1	66.24.425	REMD	507	10
62A.7-204	AMD	549	1016	66.24.440	AMD	271	8
62A.7-309	AMD	549	1017	66.24.450	AMD	373	2
63.14.010	AMD	334	11	66.24.450	AMD	507	11
63.14.123	AMD	382	2	66.24.452	AMD	373	3
63.21.080	AMD	355	2	66.24.452	AMD	507	12
64.06.005	AMD	505	1	66.24.580	AMD	507	13
64.06.015	AMD	130	1	66.28	ADD	373	11
64.06.015	AMD	505	2	66.28	ADD	506	1-9
64.06.020	AMD	130	2	66.28.010	AMD	373	5
64.06.020	AMD	505	3	66.28.010	REP	506	11
64.06.040	AMD	130	3	66.28.040	REMD	373	8
64.06.040	AMD	505	4	66.28.110	AMD	404	1
64.12.030	AMD	349	4	66.28.140	AMD	360	2
64.34	ADD	307	1	66.28.180	AMD	506	10
64.38	ADD	51	1	66.28.200	AMD	373	7
64.38	ADD	530	4	66.40.030	AMD	271	9
64.44.070	AMD	495	7	66.40.130	AMD	271	10
65.12	ADD	521	144	67.08.050	AMD	429	1
65.12.035	AMD	521	145	67.08.055	AMD	429	2
66.04.010	AMD	271	2	67.08.105	AMD	429	3
66.04.010	AMD	373	1	67.16.102	AMD	87	1
66.08	ADD	507	14	67.16.175	AMD	87	2
66.08.170	AMD	564	947	67.16.275	AMD	87	3
66.08.180	AMD	271	3	67.70	ADD	521	147
66.08.220	AMD	271	4	67.70.044	AMD	576	1
66.12	ADD	33	18	67.70.190	AMD	564	949
66.12	ADD	228	2	67.70.240	AMD	479	44
66.12	ADD	361	1	67.70.240	AMD	500	11
66.12.010	AMD	360	1	67.70.340	AMD	479	45
66.20.310	REEN	187	4	67.70.340	AMD	576	2
66.20.310	REMD	271	5	68.04	ADD	521	148
66.24	ADD	271	1	68.04.190	AMD	102	6
66.24	ADD	373	10	68.05.020	AMD	102	7
66.24	ADD	521	146	68.05.040	REP	102	26
66.24.010	AMD	271	6	68.05.050	REP	102	26
66.24.170	AMD	373	4	68.05.060	REP	102	26
66.24.210	AMD	479	42	68.05.080	REP	102	26
66.24.290	AMD	479	43	68.05.095	AMD	102	8
66.24.320	AMD	507	1	68.05.100	AMD	102	9
66.24.330	AMD	507	2	68.05.105	AMD	102	10
66.24.350	AMD	507	3	68.05.175	AMD	102	11

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
68.05.205	AMD	102	12	70.41.120	AMD	242	1
68.05.285	REP	102	26	70.41.122	AMD	242	2
68.24.090	AMD	102	13	70.44.140	AMD	229	12
68.40.040	AMD	102	14	70.47	ADD	521	151
68.44.115	AMD	102	15	70.47.010	AMD	568	1
68.44.150	AMD	102	16	70.47.015	AMD	479	49
68.46.010	AMD	102	17	70.47.020	AMD	568	2
68.46.090	AMD	102	18	70.47.060	AMD	568	3
68.46.130	AMD	102	19	70.47.070	AMD	568	4
68.50.107	REMD	271	11	70.47.100	AMD	568	5
68.50.230	AMD	56	1	70.47.130	AMD	298	4
68.50.230	AMD	102	20	70.47.170	AMD	568	7
68.60.030	AMD	102	21	70.47A	ADD	521	152
68.60.050	AMD	102	22	70.47A.030	AMD	257	1
68.60.060	AMD	102	23	70.47A.040	AMD	257	2
69.04.009	AMD	549	1018	70.47A.070	AMD	257	3
69.04.010	AMD	549	1019	70.48	ADD	411	4
69.04.024	AMD	549	1020	70.48.020	AMD	411	3
69.04.394	AMD	549	1021	70.54	ADD	303	1
69.04.396	AMD	549	1022	70.54	ADD	305	2,3
69.04.480	AMD	549	1023	70.54	ADD	438	1
69.07.103	AMD	114	1	70.54.220	AMD	495	8,9
69.41.010	AMD	549	1024	70.54.340	AMD	412	19
69.41.190	AMD	575	1	70.56.020	AMD	495	12
69.50.505	AMD	364	1	70.56.030	AMD	488	1
69.50.505	AMD	479	46	70.56.030	AMD	495	13
69.50.520	REP	479	47	70.56.040	AMD	495	14
70	ADD	1	1-22	70.58	ADD	244	3
			26-28	70.58	ADD	521	153
			30	70.58.005	AMD	231	1
70	ADD	243	1-7	70.58.055	AMD	44	1
70	ADD	258	1-4	70.58.170	AMD	231	2
70	ADD	273	1-4	70.58.180	AMD	231	3
70	ADD	379	101-103	70.58.230	AMD	231	4
70	ADD	481	1-11	70.58.240	AMD	231	5
70.01	ADD	529	1	70.58.250	AMD	231	6
70.02	ADD	521	149	70.58.260	AMD	231	7
70.05.125	AMD	479	48	70.74.360	AMD	39	1
70.05.170	AMD	134	1	70.79.060	AMD	90	1
70.14	ADD	298	3	70.79.070	AMD	90	2
70.14.060	AMD	560	13	70.79.080	AMD	90	3
70.24	ADD	521	150	70.79.090	AMD	90	4
70.38.105	AMD	54	1	70.79.210	REP	90	6
70.38.105	AMD	242	3	70.79.240	AMD	90	5
70.38.105	AMD	315	1	70.87.010	AMD	128	1
70.38.111	AMD	89	1	70.87.200	AMD	128	2
70.38.111	AMD	315	2	70.87.200	AMD	549	1025
70.41	ADD	244	1	70.87.230	AMD	36	10
70.41	ADD	359	2	70.87.250	AMD	36	11
70.41	ADD	529	2	70.93.180	AMD	564	950

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
70.94	ADD	118	101,601	70.95.530	AMD	261	5
			701,702	70.95.555	AMD	261	6
			704,705	70.95N	ADD	285	1
			802	70.96A.037	AMD	579	1
70.94.085	AMD	97	12	70.96A.350	AMD	445	1
70.94.100	AMD	254	1	70.96A.350	AMD	479	50
70.94.120	AMD	254	2	70.103.020	AMD	565	49
70.94.477	AMD	282	1	70.104.020	AMD	549	1026
70.94.541	AMD	427	1	70.104.030	AMD	495	10
70.94.547	AMD	427	2	70.104.050	AMD	495	11
70.94.551	AMD	427	3	70.105.010	AMD	549	1027
70.94.650	AMD	118	401	70.105D.030	REMD	560	10
70.94.650	RECD	118	802	70.105D.070	REMD	187	5
70.94.651	AMD	118	703	70.105D.070	REMD	564	951
70.94.651	RECD	118	802	70.114A.085	REP	518	10
70.94.654	AMD	118	402	70.119	ADD	221	3,4
70.94.654	RECD	118	802	70.119.020	AMD	221	1
70.94.656	AMD	118	403	70.119.030	AMD	221	2
70.94.656	RECD	118	802	70.119.110	AMD	221	5
70.94.660	AMD	118	501	70.119.130	AMD	221	6
70.94.660	RECD	118	802	70.119.160	AMD	221	7
70.94.665	RECD	118	802	70.119A	ADD	367	8
70.94.670	AMD	118	502	70.119A.020	AMD	495	3
70.94.670	RECD	118	802	70.119A.050	AMD	495	4
70.94.690	AMD	118	503	70.119A.060	AMD	495	5
70.94.690	RECD	118	802	70.119A.130	AMD	495	6
70.94.700	AMD	118	504	70.122	ADD	521	154
70.94.700	RECD	118	802	70.122.100	AMD	1	25
70.94.743	AMD	118	103	70.125.030	AMD	565	50
70.94.743	RECD	118	802	70.128	ADD	521	155
70.94.745	AMD	118	301	70.128	ADD	530	3
70.94.745	RECD	118	802	70.128.005	AMD	530	2
70.94.750	AMD	118	302	70.128.040	AMD	530	1
70.94.750	RECD	118	802	70.128.060	AMD	530	5
70.94.755	AMD	118	201	70.128.163	AMD	560	6
70.94.755	RECD	118	802	70.128.225	REP	560	5
70.94.760	AMD	118	202	70.129	ADD	489	1
70.94.760	RECD	118	802	70.146.010	AMD	479	51
70.94.765	AMD	118	203	70.146.020	AMD	479	52
70.94.765	RECD	118	802	70.146.030	AMD	479	53
70.94.775	AMD	118	102	70.146.040	AMD	479	54
70.94.775	RECD	118	802	70.146.060	REMD	479	55
70.94.780	RECD	118	802	70.146.075	AMD	479	56
70.95	ADD	178	1	70.146.080	REP	479	57
70.95	ADD	261	4	70.149.040	AMD	560	11
70.95	ADD	356	1	70.155	ADD	278	2
70.95.170	AMD	178	4	70.155.010	AMD	278	1
70.95.315	AMD	178	5	70.155.105	REP	278	3
70.95.510	AMD	261	2	70.164.020	AMD	379	201
70.95.521	AMD	261	3	70.164.020	AMD	565	51

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
70.164.040	AMD	379	202	71.12.540	AMD	217	11
70.164.050	AMD	379	203	71.24.310	AMD	564	952
70.164.060	AMD	379	204				1810
70.190	ADD	521	156	71.24.470	AMD	319	1
70.190.010	AMD	479	58	71.24.480	AMD	319	2
70.190.010	AMD	565	52	71.32	ADD	521	161
70.190.100	AMD	479	59	71.32.140	AMD	217	12
70.198.020	AMD	381	33	71.32.250	AMD	217	13
70.235	ADD	519	2,5,9	71.32.260	AMD	217	14
71.05	ADD	320	2	71.34.355	AMD	217	15
71.05	ADD	323	3	71.34.720	AMD	217	16
71.05	ADD	521	157	71.34.730	AMD	217	17
71.05.020	AMD	217	20	71.34.730	AMD	293	6
71.05.020	AMD	320	1	71.34.740	AMD	293	7
71.05.210	AMD	217	1	71.34.750	AMD	217	18
71.05.230	AMD	217	2	71.34.770	AMD	217	19
71.05.230	AMD	293	3	71A.12.161	AMD	312	1
71.05.240	AMD	293	4	71A.20	ADD	521	162
71.05.290	AMD	217	3	71A	ADD	194	1-3
71.05.300	AMD	217	4	72.01	ADD	521	163
71.05.300	AMD	293	5	72.09	ADD	69	1
71.05.320	AMD	323	2	72.09	ADD	521	164
71.05.340	AMD	322	1	72.09.015	AMD	521	165
71.05.360	AMD	217	5	72.09.111	AMD	479	60
71.05.390	AMD	217	6	72.09.335	AMD	28	34
71.05.390	AMD	320	3	72.09.340	AMD	28	35
71.05.420	AMD	217	7	72.09.370	AMD	28	36
71.05.425	AMD	521	158	72.09.370	AMD	319	3
71.05.445	AMD	320	4	72.09.480	REMD	479	61
71.05.630	AMD	217	8	72.09.712	AMD	400	1
71.05.630	AMD	320	5	72.09.712	AMD	521	166
71.05.630	AMD	398	1	72.09.714	AMD	28	37
71.05.660	AMD	217	9	72.09.714	AMD	400	2
71.06.040	AMD	217	10	72.09.716	AMD	28	38
71.09	ADD	409	12	72.09.718	AMD	28	39
71.09	ADD	521	159	72.09.720	AMD	28	40
71.09.020	AMD	409	1	72.09.800	REP	560	3
71.09.025	AMD	409	2	72.23	ADD	521	167
71.09.030	AMD	409	3	72.36	ADD	521	168
71.09.040	AMD	409	4	72.36.115	AMD	521	169
71.09.050	AMD	409	5	72.40.010	AMD	381	3
71.09.060	AMD	409	6	72.40.019	AMD	381	4
71.09.080	AMD	409	7	72.40.023	REP	381	35
71.09.090	AMD	409	8	72.40.024	AMD	381	6
71.09.092	AMD	409	9	72.40.028	AMD	381	7
71.09.096	AMD	409	10	72.40.031	AMD	381	12
71.09.098	AMD	409	11	72.40.070	AMD	381	18
71.09.112	AMD	409	13	72.40.120	AMD	381	8
71.09.350	AMD	409	14	72.40.200	AMD	381	9
71.12	ADD	521	160	72.40.210	AMD	381	10

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
72.40.220	AMD	381	19				50
72.40.250	AMD	381	20	74.13	ADD	521	177
72.40.280	AMD	381	21	74.13.010	AMD	520	49
72.42	ADD	381	2,5	74.13.020	AMD	235	3
72.42.010	AMD	381	13	74.13.020	AMD	520	2
72.42.015	AMD	381	14	74.13.031	AMD	235	2,4
72.42.016	AMD	381	15	74.13.031	AMD	491	7
72.42.021	AMD	381	16	74.13.031	AMD	520	51
72.42.041	AMD	381	17	74.13.0311	AMD	520	52
72.42.060	AMD	381	22	74.13.032	AMD	520	53
72.64	ADD	521	170	74.13.0321	AMD	569	2
72.66	ADD	521	171	74.13.033	AMD	569	3
73.08.005	AMD	35	1	74.13.034	AMD	569	4
73.16	ADD	521	172	74.13.036	AMD	518	5
74	ADD	520	95	74.13.036	AMD	520	54
74.04	ADD	521	173	74.13.037	AMD	520	55
74.08.055	AMD	201	1	74.13.042	AMD	520	56
74.08.060	AMD	198	1	74.13.045	AMD	520	57
74.08A	ADD	85	3	74.13.055	AMD	520	58
74.08A	ADD	521	174	74.13.060	AMD	520	59
74.08A.130	AMD	518	6	74.13.065	AMD	520	60
74.08A.250	AMD	353	6	74.13.075	AMD	250	2
74.08A.260	AMD	85	2	74.13.075	AMD	520	61
74.08A.340	AMD	564	953	74.13.077	AMD	520	62
74.08A.430	REP	518	10	74.13.085	RECD	520	94
74.09	ADD	326	1	74.13.0902	RECD	520	94
74.09	ADD	521	175	74.13.095	RECD	520	94
74.09	ADD	545	4,5	74.13.096	AMD	520	63
74.09.053	AMD	479	62	74.13.100	RECD	520	95
74.09.053	AMD	568	6	74.13.103	AMD	520	64
74.09.470	AMD	463	2	74.13.103	RECD	520	95
74.09.480	AMD	463	4	74.13.106	AMD	520	65
74.09.521	AMD	388	1	74.13.106	RECD	520	95
74.09.5241	REP	73	1	74.13.109	AMD	491	9
74.09.5243	REP	73	1	74.13.109	AMD	520	66
74.09.5245	REP	73	1	74.13.109	RECD	520	95
74.09.5247	REP	73	1	74.13.112	RECD	520	95
74.09.5249	REP	73	1	74.13.115	RECD	520	95
74.09.5251	REP	73	1	74.13.116	RECD	520	95
74.09.5253	REP	73	1	74.13.118	RECD	520	95
74.09.5254	REP	73	1	74.13.118	AMD	527	1
74.09.5255	REP	73	1	74.13.121	RECD	520	95
74.09.5256	REP	73	1	74.13.124	AMD	520	67
74.09.730	AMD	538	1	74.13.124	RECD	520	95
74.09.740	REP	545	8	74.13.127	RECD	520	95
74.09A	ADD	521	176	74.13.130	RECD	520	95
74.12.410	AMD	303	2	74.13.133	RECD	520	95
74.13	ADD	491	8	74.13.136	AMD	520	68
74.13	ADD	520	3-6	74.13.136	RECD	520	95
			8-10	74.13.139	RECD	520	95

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
74.13.145	RECD	520	95	74.15.010	AMD	520	12
74.13.150	RECD	520	95	74.15.020	AMD	520	13
74.13.152	RECD	520	95	74.15.031	RECD	520	94
74.13.153	RECD	520	95	74.15.050	AMD	520	15
74.13.154	RECD	520	95	74.15.100	AMD	206	1
74.13.155	RECD	520	95	74.15.100	AMD	520	16
74.13.156	RECD	520	95	74.20	ADD	521	179
74.13.157	RECD	520	95	74.20A	ADD	408	2-5
74.13.158	RECD	520	95	74.20A	ADD	521	180
74.13.159	RECD	520	95	74.20A.055	AMD	476	7
74.13.165	AMD	520	69	74.20A.056	AMD	476	8
74.13.165	RECD	520	95	74.20A.059	AMD	476	9
74.13.170	AMD	520	70	74.20A.300	AMD	476	6
74.13.170	RECD	520	95	74.20A.320	AMD	408	1
74.13.200	REP	520	97	74.32.100	REP	560	23
74.13.210	REP	520	97	74.32.110	REP	560	23
74.13.220	REP	520	97	74.32.120	REP	560	23
74.13.230	REP	520	97	74.32.130	REP	560	23
74.13.250	AMD	491	10	74.32.140	REP	560	23
74.13.250	AMD	520	71	74.32.150	REP	560	23
74.13.280	REMD	520	72	74.32.160	REP	560	23
74.13.283	AMD	520	73	74.32.170	REP	560	23
74.13.285	AMD	520	74	74.32.180	REP	560	23
74.13.288	AMD	520	75	74.34	ADD	521	181
74.13.289	AMD	520	76	74.39A	ADD	2	3,5,8
74.13.290	AMD	482	1				12
74.13.300	AMD	520	77	74.39A	ADD	571	1,2
74.13.310	AMD	520	78	74.39A.009	AMD	2	2
74.13.315	AMD	520	79	74.39A.009	AMD	580	1
74.13.320	AMD	520	80	74.39A.050	AMD	2	14
74.13.325	AMD	520	81	74.39A.050	AMD	580	7
74.13.333	AMD	491	11	74.39A.055	AMD	580	2
74.13.333	AMD	520	82	74.39A.073	AMD	580	10
74.13.334	AMD	520	83	74.39A.075	AMD	580	11
74.13.340	REP	520	97	74.39A.085	AMD	580	14
74.13.500	AMD	520	84	74.39A.095	AMD	580	8
74.13.515	AMD	520	85	74.39A.260	AMD	580	9
74.13.525	AMD	520	86	74.39A.330	AMD	478	1
74.13.530	AMD	520	87	74.39A.340	AMD	2	9
74.13.560	AMD	520	88	74.39A.340	AMD	580	12
74.13.590	AMD	520	89	74.39A.350	AMD	2	10
74.13.600	AMD	520	90	74.39A.350	AMD	580	13
74.13.621	AMD	564	954	74.41	ADD	521	182
74.13.630	REP	520	97	74.46.431	AMD	570	1
74.13.640	AMD	520	91	74.46.485	AMD	570	2
74.13.650	AMD	520	92	76.06.150	AMD	163	5
74.13.670	AMD	520	93	76.09.020	AMD	246	4
74.13.800	REP	520	97	76.09.020	AMD	354	5
74.14C.080	REP	518	10	76.09.040	AMD	246	1
74.15	ADD	521	178	76.48	ADD	245	6-8

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
			17,20	77	ADD	333	44-49
			26,29	77.08	ADD	521	183
76.48.010	AMD	245	2	77.08.010	AMD	333	12
76.48.010	RECD	245	29	77.12	ADD	368	1
76.48.020	AMD	245	3	77.12	ADD	420	2
76.48.020	RECD	245	29				4-6
76.48.030	AMD	245	14	77.12.065	REP	333	51
76.48.030	RECD	245	29	77.12.170	REMD	333	13
76.48.040	AMD	245	19	77.12.184	AMD	333	31
76.48.040	RECD	245	29	77.12.190	AMD	333	32
76.48.050	AMD	245	9	77.12.201	AMD	479	63
76.48.050	RECD	245	29	77.12.210	AMD	333	33
76.48.060	AMD	245	4	77.12.230	AMD	333	34
76.48.060	RECD	245	29	77.12.240	AMD	333	63
76.48.062	AMD	245	10	77.12.260	REP	333	65
76.48.062	RECD	245	29	77.12.323	AMD	333	35
76.48.070	REP	245	30	77.12.380	AMD	333	36
76.48.075	REP	245	30	77.12.390	AMD	333	37
76.48.080	AMD	245	5	77.12.690	REMD	333	38
76.48.080	RECD	245	29	77.12.820	AMD	333	52
76.48.085	AMD	245	12	77.12.870	AMD	333	21
76.48.085	RECD	245	29	77.12.879	AMD	333	22
76.48.086	REP	245	30	77.15	ADD	333	14,16
76.48.094	AMD	245	11	77.15.050	AMD	333	1
76.48.094	RECD	245	29	77.15.075	AMD	204	1
76.48.096	REP	245	30	77.15.100	AMD	333	39
76.48.098	AMD	245	13	77.15.310	AMD	333	3
76.48.098	RECD	245	29	77.15.320	AMD	333	4
76.48.100	AMD	245	22	77.15.370	AMD	333	17
76.48.100	RECD	245	29	77.15.425	AMD	333	18
76.48.110	AMD	245	21	77.15.510	AMD	333	10
76.48.110	RECD	245	29	77.15.568	AMD	333	19
76.48.120	AMD	245	15	77.15.610	AMD	333	5
76.48.120	RECD	245	29	77.15.620	AMD	333	20
76.48.130	AMD	245	16	77.15.700	AMD	333	2
76.48.130	RECD	245	29	77.32	ADD	333	15,73
76.48.140	AMD	245	18	77.32	ADD	420	3
76.48.140	RECD	245	29	77.32.010	AMD	564	956
76.48.150	AMD	245	24	77.32.050	AMD	333	71
76.48.150	RECD	245	29	77.32.155	AMD	269	1
76.48.200	AMD	245	25	77.32.350	AMD	333	72
76.48.200	RECD	245	29	77.32.430	AMD	333	40
76.48.210	AMD	245	23	77.32.470	AMD	333	6
76.48.210	RECD	245	29	77.32.530	AMD	333	41
76.48.900	RECD	245	29	77.32.555	AMD	577	1
76.48.901	DECD	245	31	77.32.560	AMD	333	42
76.48.902	AMD	245	27	77.36	ADD	333	55-58
76.48.902	RECD	245	29				62
76.48.910	AMD	245	28	77.36.005	REP	333	65
76.48.910	RECD	245	29	77.36.010	AMD	333	54

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
77.36.010	AMD	521	184	79.15.520	AMD	418	3
77.36.020	REP	333	65	79.17.010	AMD	497	6024
77.36.030	AMD	333	61	79.17.020	AMD	497	6025
77.36.040	REP	333	65	79.22.060	AMD	354	7
77.36.050	REP	333	65	79.64.040	AMD	564	957
77.36.060	REP	333	65	79.64.110	AMD	354	8
77.36.070	AMD	333	59	79.105.150	AMD	564	959
77.36.080	AMD	333	60	79.140	ADD	426	1
77.36.900	DECD	333	66	79.140.120	DECD	426	2
77.36.901	DECD	333	66	79A.05	ADD	521	185
77.44.050	AMD	333	43	79A.05.115	AMD	338	1
77.55.011	AMD	549	1028	79A.05.120	AMD	338	2
77.60.150	AMD	333	23	79A.05.125	AMD	338	3
77.65.010	AMD	333	7	79A.05.130	AMD	338	4
77.65.200	AMD	331	4	79A.05.600	AMD	549	1029
77.65.370	AMD	333	8	79A.15.010	AMD	341	1
77.65.440	AMD	333	9	79A.15.030	AMD	341	2
77.65.480	AMD	333	11	79A.15.060	AMD	16	1
77.65.510	AMD	195	1	79A.15.060	AMD	341	3
77.70	ADD	331	1-3	79A.15.100	REP	518	10
77.70	ADD	355	1	79A.15.120	AMD	16	2
77.85.005	AMD	345	9	79A.15.120	AMD	341	4
77.85.020	AMD	345	4	79A.15.130	AMD	341	5
77.85.030	AMD	345	2	79A.25.080	AMD	564	958
77.85.050	AMD	333	25	79A.25.240	AMD	345	13
77.85.050	AMD	345	3	79A.55.020	REMD	187	6
77.85.090	REMD	345	10	79A.75.900	AMD	560	12
77.85.100	REP	345	15	80.12.010	AMD	24	2
77.85.140	AMD	345	8	80.12.020	AMD	24	3
77.85.140	AMD	518	9	80.12.030	AMD	24	4
77.85.150	AMD	345	11	80.24.060	AMD	91	1
77.85.200	AMD	199	1	80.28	ADD	521	186
77.85.230	AMD	333	24	80.28.068	AMD	32	1
77.85.250	AMD	345	5	80.36.005	AMD	565	53
77.95	ADD	340	2,3	80.36.430	AMD	564	960
77.95.090	AMD	340	4	80.36.475	REP	518	10
77.95.200	AMD	333	29	80.80.010	AMD	448	1
77.95.310	AMD	333	30	80.80.010	AMD	565	54
77.120.030	AMD	333	26	80.80.040	AMD	448	2
77.120.110	AMD	333	27	80.80.060	AMD	147	1
77.120.120	AMD	333	28	80.80.060	AMD	448	3
79.02.300	AMD	349	1	81.24.090	AMD	91	2
79.02.310	AMD	349	2	81.28	ADD	521	187
79.02.320	AMD	349	3	81.40.080	AMD	549	1030
79.02.340	REP	349	5	81.48.050	AMD	549	1031
79.02.350	REP	349	5	81.64.090	AMD	549	1032
79.13	ADD	459	6	81.66.010	AMD	557	3
79.15	ADD	418	5	81.68.015	AMD	557	1
79.15.060	AMD	418	4	81.70.220	AMD	557	4
79.15.510	AMD	418	2	81.80	ADD	94	4,5

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
81.80	ADD	521	188	82.04.470	AMD	563	205
81.80.010	AMD	94	1	82.04.480	AMD	535	412
81.80.040	AMD	94	2	82.08	ADD	459	4
81.80.070	AMD	94	3	82.08	ADD	469	101,103
81.80.280	AMD	94	7				301,402
81.80.357	AMD	94	6	82.08	ADD	521	189
81.84.010	AMD	557	2	82.08	ADD	535	501-504
81.104	ADD	280	2,8				701
81.104.015	AMD	280	1	82.08.010	AMD	535	303
81.104.150	AMD	280	3	82.08.020	AMD	469	802
81.104.160	AMD	280	4	82.08.02525	AMD	535	505
81.104.170	AMD	280	5	82.08.0253	AMD	535	506
81.104.170	AMD	469	106	82.08.02535	AMD	535	507
81.104.180	AMD	280	6	82.08.02537	AMD	535	508
81.104.190	AMD	280	7	82.08.0256	AMD	535	509
81.112	ADD	279	8	82.08.02565	AMD	535	510
81.112.020	AMD	279	4	82.08.0257	AMD	535	511
81.112.210	AMD	279	5	82.08.0262	AMD	503	1
81.112.220	AMD	279	6	82.08.0273	AMD	535	512
81.112.230	AMD	279	7	82.08.0293	AMD	483	2
82.02	ADD	263	2	82.08.040	AMD	535	1105
82.02.020	AMD	535	1103	82.08.050	AMD	289	2
82.02.070	AMD	263	1	82.08.050	AMD	563	206
82.02.230	AMD	289	3	82.08.130	AMD	535	1106
82.04	ADD	469	401	82.08.130	AMD	563	207
82.04	ADD	508	1	82.08.150	AMD	479	65
82.04	ADD	535	201	82.08.195	AMD	483	3
			401,402	82.08.195	AMD	535	801
82.04.050	REMD	535	301	82.08.705	REP	535	515
82.04.050	REMD	563	301	82.08.805	AMD	535	513
82.04.060	AMD	535	403	82.08.806	AMD	461	5
82.04.065	AMD	535	413	82.08.813	REP	469	801
82.04.070	AMD	535	404	82.08.890	AMD	469	601
82.04.110	AMD	535	405	82.08.9651	AMD	469	502
82.04.120	AMD	535	406	82.08.995	AMD	535	514
82.04.190	AMD	535	302	82.12	ADD	459	5
82.04.260	REMD	162	34	82.12	ADD	469	102,104
82.04.260	REMD	461	1				109,302
82.04.260	REMD	479	64				403
82.04.263	AMD	469	202	82.12	ADD	535	601-607
82.04.280	AMD	461	2,3				702
82.04.2907	AMD	535	407	82.12.010	AMD	535	304
82.04.294	AMD	469	501	82.12.020	AMD	535	305
82.04.297	AMD	535	408	82.12.0251	AMD	535	608
82.04.363	AMD	535	409	82.12.02525	AMD	535	609
82.04.4282	AMD	535	410	82.12.0254	AMD	503	2
82.04.433	AMD	494	2	82.12.0255	AMD	535	610
82.04.44525	AMD	535	1104	82.12.0257	AMD	535	611
82.04.449	AMD	296	3	82.12.0258	AMD	535	612
82.04.470	AMD	535	411	82.12.0259	AMD	535	613

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
82.12.02595	AMD	535	615	82.26.190	AMD	154	6
82.12.0272	AMD	535	616	82.26.210	AMD	154	7
82.12.0284	AMD	535	617	82.26.220	AMD	154	8
82.12.0293	AMD	483	4	82.29A	ADD	459	3
82.12.0315	AMD	535	614	82.32	ADD	270	501
82.12.0345	AMD	535	618	82.32	ADD	289	5
82.12.0347	AMD	535	619	82.32	ADD	309	1
82.12.035	AMD	535	1107	82.32	ADD	461	6
82.12.040	AMD	535	1108	82.32	ADD	535	901
82.12.195	AMD	483	5	82.32	ADD	563	201-204
82.12.705	REP	535	623	82.32.020	AMD	535	1111
82.12.805	AMD	535	620	82.32.023	AMD	535	1112
82.12.813	REP	469	801	82.32.060	AMD	176	4
82.12.860	AMD	535	621	82.32.080	AMD	176	2
82.12.890	AMD	469	602	82.32.085	AMD	176	3
82.12.9651	AMD	469	503	82.32.087	AMD	176	5
82.12.995	AMD	535	622	82.32.087	AMD	563	210
82.14	ADD	270	402	82.32.135	AMD	176	1
			601,602	82.32.235	AMD	562	1
82.14	ADD	469	105	82.32.290	AMD	563	211
82.14	ADD	535	703	82.32.291	AMD	289	4
82.14.048	AMD	533	3	82.32.291	AMD	563	212
82.14.050	AMD	469	107	82.32.330	AMD	309	2
82.14.060	AMD	469	108	82.32.330	AMD	563	213
82.14.370	REMD	511	1	82.32.390	REP	479	71
82.14.415	AMD	550	1	82.32.560	AMD	434	2
82.14.450	AMD	551	1	82.32.590	REMD	461	7
82.14.460	AMD	551	2	82.32.600	REMD	461	8
82.14.465	AMD	535	1109	82.32.730	AMD	289	1
82.14.475	AMD	267	8	82.32.730	AMD	535	704
82.14.495	AMD	4	907	82.38.080	AMD	352	1
82.14B.042	AMD	563	208	82.45.090	AMD	350	8
82.14B.200	AMD	563	209	82.45.180	AMD	308	5
82.16.010	AMD	469	701	82.46.035	REMD	211	1
82.16.010	AMD	535	1110	82.63	ADD	268	4,6
82.16.020	AMD	469	702	82.63.010	AMD	268	2
82.16.0421	AMD	434	1	82.63.020	AMD	268	3
82.16.110	AMD	469	504	82.63.045	AMD	268	5
82.16.120	AMD	469	505	82.64.020	AMD	479	72
82.16.130	AMD	469	506	82.72.040	AMD	563	214
82.24.020	REMD	479	66	82.72.070	AMD	563	215
82.24.026	AMD	479	67	82.73.010	AMD	565	55
82.24.027	AMD	479	68	82.75.010	AMD	549	1033
82.24.028	AMD	479	69	83.100	ADD	521	190
82.24.510	AMD	154	1	83.100.046	AMD	521	191
82.24.550	AMD	154	2	83.100.047	AMD	521	192
82.26.020	AMD	479	70	83.110A	ADD	521	193
82.26.060	AMD	154	3	84.04	ADD	521	194
82.26.150	AMD	154	4	84.04.050	AMD	521	195
82.26.180	AMD	154	5	84.33.140	AMD	246	2

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
84.33.140	AMD	255	3	89.08.050	AMD	55	2
84.33.140	AMD	354	2	89.08.070	AMD	55	3
84.33.145	AMD	354	4	89.12	ADD	521	198
84.34.020	AMD	255	1	89.12.050	AMD	145	3
84.34.020	AMD	513	1	90	ADD	183	1-13
84.34.037	AMD	350	13	90.03	ADD	283	7
84.34.041	AMD	350	14	90.03	ADD	332	3-5
84.34.108	AMD	246	3				8,9,11
84.34.108	AMD	255	2	90.03.110	AMD	332	1
84.34.108	AMD	354	3	90.03.120	AMD	332	2
84.34.108	AMD	513	2	90.03.130	AMD	332	6
84.34.250	AMD	341	6	90.03.140	AMD	332	7
84.36.060	AMD	58	1	90.03.160	AMD	332	10
84.36.260	AMD	549	1034	90.03.170	REP	332	22
84.40.042	AMD	350	1	90.03.180	AMD	332	12
84.41	ADD	308	3,4	90.03.190	REP	332	22
84.41.030	AMD	308	1	90.03.200	AMD	332	13
84.41.041	AMD	308	2	90.03.210	AMD	332	14
84.52	ADD	551	5	90.03.240	AMD	332	15
84.52.010	AMD	551	7	90.03.243	AMD	332	16
84.52.043	AMD	551	6	90.03.380	AMD	183	15
84.52.053	AMD	460	2	90.14.140	REMD	183	14
84.52.0531	AMD	4	908	90.42	ADD	283	6,8
84.52.067	AMD	479	73	90.42.020	AMD	283	3
84.52.068	REP	479	75	90.42.040	AMD	283	4
84.55.050	AMD	551	3	90.42.080	AMD	283	5
84.55.070	AMD	350	11	90.42.100	AMD	283	2
84.56.070	AMD	350	2	90.44.100	AMD	183	16
84.60.050	AMD	350	4	90.44.220	AMD	332	17
84.69	ADD	350	10	90.46	ADD	456	7-15
84.69.030	AMD	350	9	90.46.010	AMD	456	1
85.08.310	AMD	549	1035	90.46.015	AMD	456	2
85.08.480	AMD	350	7	90.46.040	AMD	456	3
85.38	ADD	144	2	90.46.060	REP	456	22
85.38	ADD	521	196	90.46.080	AMD	456	4
85.38.105	AMD	144	1	90.46.120	AMD	456	5
86.09.490	AMD	350	3	90.48	ADD	449	2
86.26.007	AMD	564	961	90.48	ADD	457	1
87.03	ADD	145	4	90.48.465	AMD	249	1
87.03	ADD	521	197	90.48.465	AMD	456	6
87.03.265	AMD	350	5	90.48.555	AMD	449	1
87.03.270	AMD	350	6	90.56.500	AMD	11	9
87.03.437	AMD	229	13	90.58	ADD	405	2
87.03.460	AMD	145	2	90.58	ADD	444	2
88.16.035	AMD	496	1	90.58.100	AMD	421	9
88.16.090	AMD	470	708	90.58.185	AMD	422	1
88.46	ADD	11	3,4,6	90.64	ADD	143	1
88.46.010	AMD	11	7	90.64.010	AMD	143	2
88.46.130	AMD	11	2	90.64.015	REP	143	3
89.08.040	AMD	55	1	90.64.140	REP	143	3

RCW SECTIONS AFFECTED BY 2009 STATUTES

RCW		CH.	SEC.	RCW		CH.	SEC.
90.64.160	REP	143	3	90.71.370	AMD	479	74
90.71	ADD	48	2	90.82.060	AMD	183	18
90.71.110	AMD	99	1	91.08	ADD	521	199
90.71.280	AMD	99	2				

UNCODIFIED SESSION LAW SECTIONS AFFECTED BY 2009 STATUTES

LAWS 1997			LAWS 2009		LAWS 2008			LAWS 2009	
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>					
406	1	REP	560	9	121	206	AMD	8	205
LAWS 2006			LAWS 2009		121	208	AMD	8	206
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	121	209	AMD	8	207
300	12	AMD	461	9	121	210	AMD	8	208
LAWS 2007			LAWS 2009		121	211	AMD	8	210
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	121	212	AMD	8	212
260	11	REP	257	4	121	213	AMD	8	213
419	18	REP	46	6	121	214	AMD	8	214
518		ADD	8	209	121	215	AMD	8	215
518		ADD	8	211	121	216	AMD	8	216
518		ADD	8	404	121	218	AMD	8	217
518	108	REP	8	507	121	219	AMD	8	218
518	713	REP	8	506	121	221	AMD	8	219
520	2020	AMD	497	6032	121	222	AMD	8	220
520	2023	AMD	497	6033	121	223	AMD	8	221
520	2046	AMD	497	6034	121	224	AMD	8	222
520	2083	AMD	497	6036	121	225	AMD	8	223
520	2084	AMD	497	6037	121	302	AMD	8	301
520	2085	AMD	497	6035	121	303	AMD	8	302
520	3022	AMD	497	6042	121	305	AMD	8	303
520	3026	AMD	497	6039	121	306	AMD	8	304
520	3041	AMD	497	6043	121	307	AMD	8	305
520	3042	AMD	497	6040	121	308	AMD	8	306
520	3135	AMD	497	6047	121	309	AMD	8	307
520	5137	AMD	497	6048	121	310	AMD	8	308
520	6006	REP	497	6052	121	311	AMD	8	309
522		ADD	564	1610	121	401	AMD	8	401
522		ADD	564	1611	121	402	AMD	8	402
522		ADD	564	1612	121	403	AMD	8	403
522		ADD	564	1613	121	404	AMD	8	405
522		ADD	564	1801	121	405	AMD	8	406
522	115	AMD	4	114	121	406	AMD	8	407
522	709	AMD	4	701	121	407	AMD	8	408
522	712	AMD	564	1608	121	604	REP	8	506
522	715	AMD	4	702	121	605	AMD	8	501
522	802	AMD	564	1704	230	4	AMD	532	1
522	803	AMD	564	1705	231	6	AMD	375	10
522	804	AMD	564	1703	311	1	REP	560	8
LAWS 2008			LAWS 2009		311	2	REP	560	8
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	311	3	REP	560	8
3	4	AMD	4	704	311	4	REP	560	8
120	10	AMD	432	12	328	1004	AMD	497	6038
121	103	AMD	8	101	328	3003	AMD	497	6041
121	201	AMD	8	201	328	3006	AMD	497	6044
121	202	AMD	8	202	328	3008	AMD	497	6045
121	203	AMD	8	203	328	3010	AMD	497	6046
121	205	AMD	8	204	328	5001	AMD	6	6
					328	6001	AMD	497	6031
					329	101	AMD	4	101
					329	102	AMD	4	102
					329	103	AMD	4	103

UNCODIFIED SESSION LAW SECTIONS AFFECTED BY 2009 STATUTES

LAWS 2008			LAWS 2009		LAWS 2008			LAWS 2009	
329	104	AMD	4	104	329	204	AMD	4	203
329	105	AMD	4	105	329	205	AMD	4	204
329	106	AMD	4	106	329	206	AMD	4	205
329	107	AMD	4	107	329	207	AMD	4	206
329	108	AMD	4	108	329	208	AMD	4	207
329	109	AMD	4	109	329	209	AMD	4	208
329	110	AMD	4	110	329	210	AMD	4	209
329	111	AMD	4	111	329	211	AMD	4	210
329	112	AMD	4	112	329	212	AMD	4	211
329	113	AMD	4	113	329	213	AMD	4	212
329	114	AMD	4	115	329	214	AMD	4	213
329	115	AMD	4	116	329	215	AMD	4	214
329	116	AMD	4	117	329	216	AMD	4	215
329	117	AMD	4	118	329	217	AMD	4	216
329	118	AMD	4	119	329	218	AMD	4	217
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329	120	AMD	4	121	329	220	AMD	4	219
329	121	AMD	4	122	329	221	AMD	4	220
329	122	AMD	4	123	329	222	AMD	4	221
329	123	AMD	4	124	329	223	AMD	564	1120
329	124	AMD	4	125	329	224	AMD	4	222
329	125	AMD	4	126	329	225	AMD	4	223
329	126	AMD	4	127	329	226	AMD	4	224
329	127	AMD	4	128	329	227	AMD	4	225
329	128	AMD	4	129	329	301	AMD	4	301
329	129	AMD	4	130	329	302	AMD	4	302
329	130	AMD	4	131	329	303	AMD	4	303
329	131	AMD	4	132	329	304	AMD	4	304
329	132	AMD	4	133	329	305	AMD	4	305
329	133	AMD	4	134	329	306	AMD	4	306
329	134	AMD	4	135	329	307	AMD	4	307
329	135	AMD	4	136	329	308	AMD	4	308
329	136	AMD	4	137	329	309	AMD	4	309
329	137	AMD	4	138	329	310	AMD	4	310
329	138	AMD	4	139	329	311	AMD	4	311
329	139	AMD	4	140	329	401	AMD	4	401
329	140	AMD	4	141	329	402	AMD	4	402
329	141	AMD	4	142	329	501	AMD	4	501
329	142	AMD	4	143	329	502	AMD	4	502
329	143	AMD	4	144	329	504	AMD	564	1403
329	144	AMD	4	145	329	505	AMD	564	1404
329	145	AMD	4	146	329	506	AMD	564	1405
329	146	AMD	4	147	329	507	AMD	4	503
329	147	AMD	4	148	329	508	AMD	564	1406
329	148	AMD	4	149	329	509	AMD	564	1407
329	149	AMD	4	150	329	510	AMD	564	1408
329	150	AMD	4	151	329	511	AMD	4	504
329	151	AMD	564	1014	329	512	AMD	564	1409
329	201	AMD	564	1101	329	513	AMD	4	505
329	202	AMD	4	201	329	515	AMD	4	506
329	203	AMD	4	202	329	516	AMD	547	1

UNCODIFIED SESSION LAW SECTIONS AFFECTED BY 2009 STATUTES

LAWS 2008			LAWS 2009		LAWS 2009			LAWS 2009	
329	516	AMD	564	1413	4	202	AMD	564	1103
329	604	AMD	4	601	4	203	AMD	564	1104
329	605	AMD	4	602	4	204	AMD	564	1105
329	606	AMD	4	603	4	205	AMD	564	1106
329	607	AMD	4	604	4	206	AMD	564	1107
329	608	AMD	4	605	4	207	AMD	564	1108
329	609	AMD	4	606	4	208	AMD	564	1109
329	610	AMD	4	607	4	209	AMD	564	1110
329	611	AMD	4	608	4	210	AMD	564	1111
329	612	AMD	4	609	4	212	AMD	564	1112
329	613	AMD	4	610	4	213	AMD	564	1113
329	614	AMD	4	611	4	214	AMD	564	1114
329	615	AMD	4	612	4	215	AMD	564	1115
329	616	AMD	4	613	4	216	AMD	564	1116
329	617	AMD	4	614	4	217	AMD	564	1117
329	618	AMD	4	615	4	219	AMD	564	1118
329	619	AMD	4	616	4	221	AMD	564	1119
329	620	AMD	4	617	4	222	AMD	564	1121
329	621	AMD	4	618	4	223	AMD	564	1122
329	701	AMD	564	1601	4	225	AMD	564	1123
329	702	AMD	564	1602	4	301	AMD	564	1201
329	703	AMD	564	1603	4	302	AMD	564	1202
329	704	AMD	564	1604	4	303	AMD	564	1203
329	705	AMD	564	1605	4	307	AMD	564	1204
329	706	AMD	564	1606	4	308	AMD	564	1205
329	707	AMD	564	1607	4	311	AMD	564	1206
329	708	AMD	4	703	4	402	AMD	564	1301
329	714	AMD	564	1609	4	501	AMD	564	1401
329	801	AMD	4	801	4	502	AMD	564	1402
329	802	AMD	4	802	4	504	AMD	564	1410
LAWS 2009			LAWS 2009		4	505	AMD	564	1411
<u>Ch.</u>	<u>Sec.</u>	<u>Action</u>	<u>Ch.</u>	<u>Sec.</u>	4	506	AMD	564	1412
4	101	AMD	564	1001	4	603	AMD	564	1501
4	110	AMD	564	1002	4	606	AMD	564	1502
4	112	AMD	564	1003	4	609	AMD	564	1503
4	113	AMD	564	115	4	610	AMD	564	1504
4	118	AMD	564	1004	4	613	AMD	564	1505
4	124	AMD	564	1005	4	614	AMD	564	1506
4	128	AMD	564	1006	4	615	AMD	564	1507
4	129	AMD	564	1007	4	616	AMD	564	1508
4	135	AMD	564	1008	4	801	AMD	564	1701
4	140	AMD	564	1009	4	802	AMD	564	1702
4	143	AMD	564	1010	5		ADD	294	8
4	145	AMD	564	1011	5	6	AMD	294	1
4	148	AMD	564	1012	5	7	AMD	294	2
4	151	AMD	564	1013	5	8	AMD	294	3
4	201	AMD	564	1102	5	9	AMD	294	4
					5	10	AMD	294	7

ACCOUNTANTS

Attest or compilation services, performing without proper licensing	116
Estate distribution documents, certified public accountants and enrolled agents exempted from restrictions on marketing for certain purposes	113

ACTIONS AND PROCEEDINGS (See also CIVIL PROCEDURE; COURTS;

CRIMINAL PROCEDURE)

Adoption proceedings, children’s interests in maintaining postadoption contact with siblings	234
Commitment proceedings, counseling for sex offense victim whose crime occurred in another state and who testifies	38
Commitment proceedings, sexually violent predators	409
Contempt of court sanctions, location of imprisonment	37
Dependency proceedings, guardian ad litem background information records and procedures for appointment	480
Dependency proceedings, housing assistance for the child	397
Dependency proceedings, notice of custody and process for out-of-home care placement to encourage parental engagement in overall process	477
Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Dependency proceedings, parenting plans and residential schedules	526
Guardians ad litem, background information records and procedures for appointment	480
Guardianship, uniform adult guardianship and protective proceedings jurisdiction act	81
Natural resource infraction proceeding, failure to sign infraction notice no longer a misdemeanor	174
Utilities and transportation commission, public service company customer interest protections in proceedings	24

ADMINISTRATIVE PROCEDURE

Emergency rule making, agency authority to use when implementing requirements or reductions in appropriations for 2009, 2010, or 2011	559
Small businesses, first-time paperwork violations	358

ADOPTION

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Federal fostering connections to success and increasing adoptions act of 2008, implementation	235
Postadoption contact with siblings, children’s interests in maintaining	234

ADULT FAMILY HOMES

Providers, geriatric specialty certification	530
Restrictive covenants, void if certain kinds of limits placed on location of certain adult family homes	530

ADVERTISING

Home-based instruction, school district advertising and marketing to students prohibited	190
Music, truth in music advertising act	109

AFRICAN-AMERICANS (See also MINORITY AND WOMEN’S BUSINESS ENTERPRISES)

Child welfare system, reducing racial disproportionality in system and racial disparities in outcomes	520
Racial disproportionality advisory committee, recommendations concerning child welfare system	213

AGRICULTURE (See also COMMODITY COMMISSIONS; FARMS; LIVESTOCK)

Agribusiness drivers, exemption from certain commercial driver’s license requirements	339
--	-----

SUBJECT INDEX OF 2009 STATUTES

AGRICULTURE (See also COMMODITY COMMISSIONS; FARMS; LIVESTOCK) - con't.

Chapter

Agricultural fairs, annexation by cities or towns of territory used for	402
Agricultural structures, definition	362
Agricultural structures, fees for permitting, plan review, building, and inspection	362
Anaerobic digesters for processing livestock manure and organic waste-derived material, requirements for exemption from solid waste handling permitting	178
Dairy nutrient management program, violations	143
Energy efficiency and renewable energy improvements for agricultural property owners, financing through sustainable energy trust program	65
Fruit and vegetable district fund, district two manager authorized to transfer funds to plant pest account	208
Grain commission, created to succeed wheat and barley commissions	33
Horticultural pest and disease boards, membership	96
Outdoor burning provisions of Washington clean air act, clarifications	118
Pesticide poisoning and exposure, department of health flexibility in investigation of	495
Poultry slaughter and sale, special permits	114
Property tax, specifications for farm and agricultural land classification	513
Single-occupancy farm conveyances, definition and use	128

AGRICULTURE, DEPARTMENT (See also COMMODITY COMMISSIONS)

Dairy nutrient management program, violations	143
---	-----

AIR POLLUTION (See also ECOLOGY, DEPARTMENT)

Climate leadership, reducing greenhouse gas emissions and energy consumption by state government	519
Control authorities, board of directors	254
Outdoor burning provisions of Washington clean air act, clarifications	118
Solid fuel burning devices, restrictions	282

AIRLINES AND AIRPORTS

Airline operator rate of return when funding consolidated car rental facilities and common use transportation equipment and facilities	124
Commuter air carriers, sales and use tax exemptions for intrastate operations	503

ALCOHOL AND DRUG ABUSE

Chemical dependency specialist services at children and family services offices, department of social and health services contracting for	579
Drug court program, funding to support administrative and overhead costs associated with operation of	445
Local sales and use tax for chemical dependency services, mental health treatment, and therapeutic courts	551

ALCOHOLIC BEVERAGES

Art galleries, serving wine or beer to customers	361
Beer and wine, manufactured for exhibition or private consumption	360
Joint select committee on beer and wine regulation, modifying current three-tier system of manufacturing, distributing, and retailing	506
Liquor license fees, increases for various establishments	507
Malt beverages, contractual relationships between wholesale distributors and suppliers	155
Regulation, licensing and licensee provisions	373
Spirits, beer, and wine nightclub license created	271
Wedding boutiques, serving wine or beer to customers	361
Wine and beer, manufactured for exhibition or private consumption	360
Wine sales at legislative gift center	228
Wine, labels for Washington wine	404

ANIMALS (See also HORSES AND HORSE RACING; LIVESTOCK)

Cruelty to animals, violations and penalties	287
Dog breeding, humanitarian requirements for certain practices	286
Domestic violence, animal protection orders	439

SUBJECT INDEX OF 2009 STATUTES

ANIMALS (See also HORSES AND HORSE RACING; LIVESTOCK) - con't.	Chapter
Live nonambulatory livestock, violations and penalties for knowingly transporting or accepting delivery of in certain situations	347
Pets, protecting from perpetrators of domestic violence	439
Service animal training, attendance by state agency employees with sensory disabilities	294
ANNEXATION (See CITIES AND TOWNS)	
APPLIANCES (See also ELECTRONIC EQUIPMENT)	
Appliance efficiency rebate program, department of community, trade, and economic development authority to create	379
Energy efficiency code, products added and removed	501
APPRENTICES AND APPRENTICESHIP PROGRAMS	
Evergreen jobs act, provisions relating to apprenticeship council and apprenticeship programs	536
Public works projects by four-year higher education institutions, requirements for labor hours to be performed by apprentices	197
ARCHAEOLOGY AND HISTORIC PRESERVATION, DEPARTMENT	
Abandoned cemeteries and historic graves, department authority	102
ARCHITECTS	
Landscape architects, licensing	370
ART AND ART WORKS	
Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58
ATTORNEYS	
Statutory costs, provisions	240
AUDITORS AND AUDITING	
County auditors, provisions	337
BANKS AND BANKING (See also FINANCIAL INSTITUTIONS)	
Public deposit protection commission, modernization and clarification of powers in regard to banks and savings associations as public depositories	9
BLIND	
State school, transfers of accumulated leave of employees	47
BOATS (See COMMERCIAL VESSELS AND SHIPPING)	
BODY PIERCING	
Tattooing, body art, body piercing, comprehensive regulations	412
BOILERS	
Boiler and unfired pressure vessel statutes, technical changes	90
BONDS	
Bond retirement funds, University of Washington and Washington State University	499
Community revitalization financing, use of general obligation bonds for public improvements	270
Department of transportation highway contracts, bond amounts	473
Energy efficiency projects, promoting state-chartered bond authorities' involvement in financing of	379
General obligation bonds for transportation projects, payment of principal and interest	498
General obligation bonds, capital and operating budget project financing	498
General obligation bonds, high capacity transportation corridor area authority to issue	280

SUBJECT INDEX OF 2009 STATUTES

BONDS - con't.

Chapter

General obligation bonds, school construction assistance grant program financing	6
State route 520 corridor, issuance of general obligation bonds to fund projects on	498
Sustainable energy trust program, financing through issuance of bonds	65
Toll revenue bonds, authority to issue bonds for certain projects as	498

BRIDGES

State route 520 floating bridge, authorization of early tolling to finance replacement floating bridge and landings	472
Tacoma Narrows bridge, department of licensing to make recommendations regarding toll payment time period	272
Tacoma Narrows toll bridge account, toll charges, other revenue, and interest to be used only for tolled facility	567
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272

BUDGET

Basic health plan changes necessary to implement 2009-2011 operating budget	568
Capital and operating budgets, general obligation bond issuance authority	498
Capital, 2009-2011	497
Fiscal matters, 2007-2009	4
Operating, 2009-2011 biennium and 2007-2009 supplemental	564
Transparency improvement, consolidating various accounts into state general fund	479
Transportation, 2009-2011	470
Transportation, economic stimulus funding and appropriations	8
Transportation, supplemental 2008	8
Tuition for higher education, resident undergraduate tuition fees to be set in omnibus appropriations act	540

BUILDING CODE COUNCIL (See also BUILDING CODES/PERMITS)

Carbon monoxide alarms, council to require installation in certain residential occupancies	313
Electric vehicles, council adoption of rules for infrastructure requirements	459
State energy code, adoption of rules to aid strategic plan for enhancing energy efficiency and reducing greenhouse gas emissions in built environment	423

BUILDING CODES/PERMITS

Architectural structures, fees for permitting, plan review, building, and inspection	362
Carbon monoxide alarms, building code council to require installation in certain residential occupancies	313

BUSINESSES (See also CORPORATIONS; MINORITY AND WOMEN'S

BUSINESS ENTERPRISES; PARTNERSHIPS)	
Airline operator rate of return when funding consolidated car rental facilities and common use transportation equipment and facilities	124
Art galleries, serving wine or beer to customers	361
Beer and wine, modifying current three-tier system of manufacturing, distributing, and retailing	506
Boxing, martial arts, and wrestling events, payment of certain event and license fees into business and professions account	429
Commercialization and innovation, department of community, trade, and economic development and life sciences and technology trade associations to encourage growth of	425
Commuter air carriers, sales and use tax exemptions for intrastate operations	503
Construction contractors, trade workers to be in possession of licenses, certificates, or permits while working	36
Consumer loan companies, compliance with the secure and fair enforcement for mortgage licensing act of 2008	120
Electrolytic processing businesses, tax exemption for electricity use	434

SUBJECT INDEX OF 2009 STATUTES

BUSINESSES (See also CORPORATIONS; MINORITY AND WOMEN'S BUSINESS ENTERPRISES; PARTNERSHIPS) - con't.

Chapter

Energy efficiency and renewable energy improvements for commercial property owners, financing through sustainable energy trust program	65
Exchange facilitators, consumer protections.	70
Foreign workers, disclosure statement from employers and international labor recruitment agencies to be given to	492
Household goods carriers, permits and conditions for advertising	94
Identification devices, limits on scanning.	66
Landscape architects, licensing.	370
Legislative gift center, sales of wine.	228
Liquor license fees, increases for various establishments.	507
Log trucks, public utility tax on log transportation businesses.	469
Malt beverages, contractual relationships between wholesale distributors and suppliers	155
Minority business enterprises linked deposit program, setting interest rates of time certificate of deposits for	385
Motor carriers, safety requirements and compliance reviews.	46
Motor vehicle dealers and manufacturers, termination, cancellation, or nonrenewal of franchises between	12
Motor vehicle dealers, disclosure of damage and repair to new or previously unregistered vehicle	49
Motorsports vehicles, cancellation of order by dealer	517
Motorsports, termination or cancellation of manufacturer and dealer franchise agreements	232
Music, truth in music advertising act	109
Newspaper industry, decreasing business and occupation tax burden for	461
Nightclubs, spirits, beer, and wine nightclub license created	271
Office of regulatory assistance, program for improving function of environmental and business regulatory processes	97
Parking, harmonizing certain excise tax statutes with the streamlined sales and use tax agreement in the case of commercial parking.	289
Registered collectors, repair and reuse of electronic products	285
Rental car companies, clarifying charges and fees in rental car agreements	346
Resale certificates, improper use of and replacement with seller's permits issued by department of revenue	563
Retail stores, restroom access for persons with certain medical conditions	438
Sales tax compliance, improving	563
Self-service storage facilities, issuance of insurance to occupants by licensed self-service storage specialty producers	119
Small businesses, business assistance account	486
Small, first-time paperwork violations	358
Small, health care insurance plan discount for employee wellness programs	131
Tattooing, body art, body piercing, comprehensive regulations.	412
Tobacco products, sale by mail order or internet	278
Unfair business practices, recovery of damages due to consumer protection act violations	371
Vehicle dealer documentary service fees, disclosure that fee is negotiable required	123
Veteran-owned businesses linked deposit program, setting interest rates of time certificate of deposits for	385
Washington customized employment training program, provision of training assistance to employers locating or expanding in state	296
Wedding boutiques, serving wine or beer to customers	361
Wireless communications, provisions related to wireless phone numbers used by directory providers	401
Women's business enterprises linked deposit program, setting interest rates of time certificate of deposits for	385

CAMPAIGNS

Candidate filing, provisions modified.	106
Candidates for public office, false statements about constituting libel or defamation	222
Election provisions, technical corrections.	107

SUBJECT INDEX OF 2009 STATUTES

Chapter

CAPITOL CAMPUS

Legislative gift center, sales of wine. 228

CEMETERIES (See also HUMAN REMAINS)

Abandoned cemeteries and historic graves, department of archaeology
and historic preservation authority. 102

Cemetery board and board of funeral directors and embalmers, consolidating
as funeral and cemetery board 102

CENTRAL WASHINGTON UNIVERSITY

Capital projects account, use of funds for certificates of participation authorized. . . . 499

Tuition, resident and nonresident undergraduates. 574

CHARITABLE ORGANIZATIONS

Raffles, increasing ticket prices 133

CHECKS AND CHECK CASHING

Cashers and sellers, fee and installment plan assistance for borrowers at risk
of default on small loans 510

Cashers and sellers, restrictions on communications when collecting delinquent
loans. 13

Dishonored checks, notices of dishonor and penalties 185

Small loans, fee and installment plan assistance for borrowers at risk of default. . . . 510

Small loans, restrictions on check cashers' and sellers' communications when
collecting delinquent loans. 13

CHEMICAL DEPENDENCY

Chemical dependency specialist services at children and family services
offices, department of social and health services contracting for 579

CHILD CUSTODY

Dependency proceedings, guardian ad litem background information records
and procedures for appointment. 480

Parenting plans, modification due to parent's military service. 502

CHILD SUPPORT

Calculation of support, economic tables and provisions. 84

License suspension program for failure to pay child support 408

Medical support obligations as part of child support order, provisions 476

Payments, review by secretary of department of social and health services. 527

CHILDREN (See also CHILD CUSTODY; CHILD SUPPORT; FOSTER CARE;

JUVENILE COURT AND JUVENILE OFFENDERS)

Adoption support program, prospective adoptive parent to receive information
describing limits of. 491

Amber alert plan, state patrol to develop and implement 20

Apple health for kids act 463

Child mortality reviews to be conducted and collected by local health
departments with assistance from department of health 134

Child support, medical support obligations as part of child support order 476

Child welfare services, crisis residential center provisions and appropriations 569

Child welfare system, enhancing safety and well-being of children through
performance-based contracts with supervising agencies 520

Child welfare system, recommendations of racial disproportionality advisory
committee. 213

Child welfare system, reducing racial disproportionality in system and racial
disparities in outcomes. 520

Crisis residential centers for children, provisions and appropriations 569

Dependency proceedings, guardian ad litem background information records
and procedures for appointment. 480

Dependency proceedings, housing assistance for the child 397

Dependency proceedings, notice of custody and process for out-of-home care
placement to encourage parental engagement in overall process 477

SUBJECT INDEX OF 2009 STATUTES

CHILDREN (See also CHILD CUSTODY; CHILD SUPPORT; FOSTER CARE; JUVENILE COURT AND JUVENILE OFFENDERS) - con't.

Chapter

Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Dependency proceedings, parenting plans and residential schedules	526
Developmental disabilities, intensive behavior support services	194
Endangered missing person advisory plan, state patrol to develop and implement	20
Federal fostering connections to success and increasing adoptions act of 2008, implementation	235
Foster care placement, placement of child with a relative or other suitable person	491
Foster family homes, placement of child returning to out-of-home care	482
Guardians ad litem, background information records and procedures for appointment	480
Health care, community health care collaborative grant program established	299
Independent youth housing program, provisions	148
Mental health services, access to care standards	388
Missing children, state patrol to develop and implement amber alert plan	20
Newborn children, appropriate locations for transfer	290
Novelty lighters, prohibition of sale and distribution	273
Postadoption contact with siblings, children's interests in maintaining	234
Rental car companies, child restraint system rental fee	346
Scoliosis screening in schools, eliminating	41
Sexually aggressive youth, treatment eligibility and funding	250
Sexually exploited juveniles, diversion of juvenile offenders authorized in certain circumstances	252
Washington state center for childhood deafness and hearing loss, direction of state school for the deaf by	381
Youth sports, adoption of policies for the management of concussions and head injuries	475

CITIES AND TOWNS (See also PARKING)

Agricultural fairs, annexation by cities or towns of territory used for	402
Annexation of a city or town by a library district, requirements	40
Annexation of a portion of a fire protection district, procedures and employee notification requirements	60
City-county assistance account, changes in distribution of moneys	127
Claims for damages against local governmental entities, procedures and claim forms	433
Code cities, special election for changing noncharter city's form of government	7
Community preservation and development authorities, creation and functioning	516
Community revitalization financing, use of general obligation bonds and tax allocation revenues for public improvements	270
Conservation project loans from municipal utilities and public utility districts, repayment period expanded	416
Electric vehicles, local government role in infrastructure development and transition from combustion to electric vehicles	459
Energy efficiency and renewable energy improvements for municipal property owners, financing through sustainable energy trust program	65
Fire protection districts, certain areas in cities and towns authorized to annex to a district	115
High capacity transportation corridor areas, establishment and funding	280
Housing development for low-income persons, affordable housing incentive programs	80
Lake Tapps water supply, exercise of eminent domain authority by watershed management partnership	504
Local improvement districts, formation when comprised of property in more than one city or town	237
Local improvement districts, railroad crossing protection device financing	435
Local infrastructure financing tool, provisions	267
Local sales and use tax, crediting against state sales and use tax extended	550
Local tourism promotion areas, restriction on forming in counties with population of one million or more removed	442

SUBJECT INDEX OF 2009 STATUTES

CITIES AND TOWNS (See also PARKING) - con't.

Chapter

Moratoria and interim official controls, local government authority to adopt under shoreline management act	444
Projects of statewide significance, qualifications and procedures for designation	421
Public community athletics programs and facilities, discrimination on the basis of sex prohibited	467
Public facilities districts, formation, operation, and nonstate funding	533
Raffles, city or town authority to conduct as bona fide nonprofit organization	137
Rail freight service, funding through grants from essential rail assistance account	160
Railroad crossing protection devices, local improvement district financing	435
Railroads, expending existing real estate excise taxes on municipally owned heavy rail short lines	211
Recreational vehicles, serving as primary residences in manufactured and mobile home communities	79
Sewer or water facility construction, contract requirements	344
Shoreline management act, local government authority to adopt moratoria and interim official controls	444
Transfer of development rights program, central Puget Sound region	474
Urban passenger transportation systems, clarifying limits of special fuel tax exemption	352
Utility local improvement districts, formation when comprised of property in more than one city or town	237
Water or sewer facility construction, municipal participation in funding and reimbursement amounts	230
Watershed management partnerships, eminent domain authority granted	504
Watershed management partnerships, exercise of eminent domain authority in the case of the Lake Tapps water supply	504

CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

Salary schedule for state elected officials effective September 1, 2009	581
---	-----

CIVIL PROCEDURE (See also ACTIONS AND PROCEEDINGS)

Commitment proceedings, counseling for sex offense victim whose crime occurred in another state and who testifies	38
Commitment proceedings, sexually violent predators	409
Natural resource infraction proceeding, failure to sign infraction notice no longer a misdemeanor	174
Statutory costs, provisions	240
Unfair business practices, recovery of damages due to consumer protection act violations	371

CIVIL SERVICE

Sheriffs, five-member civil service commissions authorized	112
--	-----

CLEMENCY AND PARDONS BOARD

Hearings, right of victims or their survivors to present a statement	138
--	-----

CLIMATE

Integrated climate change response strategy, department of ecology to coordinate with agencies and other groups	519
Strategic plan for enhancing energy efficiency and reducing greenhouse gas emissions in the built environment	423

CODE REVISER

RCW, gender-based term technical corrections	549
RCW, revising editorial standards for publication	186
RCW, technical corrections	187
RCW, technical corrections to community custody provisions	28
Respectful language in state laws, code reviser directed to replace "mental retardation" with "intellectual disability"	377
Rule-making information, each state agency to post on its web site	93

SUBJECT INDEX OF 2009 STATUTES

Chapter

COLLECTION AGENCIES

Dishonored checks, notices of dishonor and penalties 185

COLLECTIVE BARGAINING

Exempt employment, practices regarding 534

Uniformed personnel, alternative arbitration process for joint operating agency
employees at a commercial nuclear power plant 126

COLLEGES AND UNIVERSITIES (See also COMMUNITY AND TECHNICAL COLLEGES)

American opportunity tax credit, notification of students concerning tax
credits on billing statements 540

Border county higher education opportunity project, provisions revised 158

Building or capital projects accounts, use of funds for certificates of
participation authorized 499

Course materials, information disclosure as cost saving measure 241

Dual credit opportunities, high school-college collaborations as part of
college in the high school program to make possible 450

Dual-credit programs, moneys from institutional financial aid fund available for 215

Educational opportunity grant program 215

Engineering, programs in chemical, mechanical, and civil engineering no
longer restricted to UW and WSU 207

Higher education loan program, creation 215

Higher education technology transformation task force to be convened by
higher education coordinating board 407

Honorary doctorate degrees, authorizing regional universities to confer 295

Information web-based access portal for students seeking college
information, work group 23

Joint comprehensive commute trip reduction plan for certain state agencies,
including institutions of higher education 427

Opportunity internship program, career and technical education opportunities
to be increased for low-income high school students 238

Public employees' benefits board, employee eligibility for benefits 537

Public works projects by four-year higher education institutions, requirements
for labor hours to be performed by apprentices 197

Resident student, classification as 220

Running start program, provisions 450

Student fees and assessments, approval by student body and use 179

Study or research abroad, insurance requirements for higher education
students participating in 297

Tuition waivers, stepchildren to be included as eligible children of veterans
and national guard members 316

Tuition, resident and nonresident undergraduates 574

Tuition, resident undergraduate tuition fees to be set in omnibus appropriations act 540

Work-study program, state 172

COMMERCIAL VESSELS AND SHIPPING

Bunker fuel, business and occupation taxation of manufacturing and selling
for use outside United States waters by foreign commercial vessels 494

Marine container ports, land use and transportation planning for 514

Strait of Juan de Fuca and west coast of Washington state, emergency
response towing vessels 11

COMMODITY COMMISSIONS

Grain commission, creation and rules 33

COMMUNITY AND TECHNICAL COLLEGES (See also COLLEGES AND UNIVERSITIES)

American opportunity tax credit, notification of students concerning tax credits on
billing statements 540

Associate transfer degrees from public technical colleges 64

Border county higher education opportunity project, provisions revised 158

Capital projects account, use of funds for certificates of participation authorized 499

SUBJECT INDEX OF 2009 STATUTES

COMMUNITY AND TECHNICAL COLLEGES (See also COLLEGES AND UNIVERSITIES) - con't.

Chapter

Cost-of-living increases for college district employees, suspension of	573
Course materials, information disclosure as cost saving measure	241
Dual credit opportunities, high school-college collaborations as part of college in the high school program to make possible.	450
Dual-credit programs, moneys from institutional financial aid fund available for.	215
Educational opportunity grant program	215
Employees of college districts, suspension of cost-of-living increases	573
Higher education loan program, creation	215
Higher education technology transformation task force to be convened by higher education coordinating board	407
Information web-based access portal for students seeking college information, work group	23
Joint comprehensive commute trip reduction plan for certain state agencies, including institutions of higher education	427
Nurses and paramedics, community and technical colleges board to create interdisciplinary work group to consider articulation between nursing and paramedic programs	168
Opportunity internship program, career and technical education opportunities to be increased for low-income high school students	238
Peer mentoring pilot program, Western Washington University to collaborate with a community or technical college	446
Public employees' benefits board, employee eligibility for benefits	537
Public technical colleges, offering associate transfer degrees	64
Resident student, classification as.	220
Running start program, provisions	450
Student fees and assessments, approval by student body and use	179
Study or research abroad, insurance requirements for higher education students participating in	297
Tuition waivers, stepchildren to be included as eligible children of veterans and national guard members	316
Tuition, resident and nonresident undergraduates.	574
Tuition, resident undergraduate tuition fees to be set in omnibus appropriations act.	540
Work-study program, state	172
Workforce and economic development, clarifying terms for	353

COMMUNITY AND TECHNICAL COLLEGES, BOARD

Dual credit opportunities, high school-college collaborations as part of college in the high school program to make possible	450
Evergreen jobs act, curriculum development and funding	536
High-demand occupation training program funds, role of board in use by workforce development councils to help certain economically disadvantaged adults and unemployed workers.	566
Job skills program, funding and applications for	554
Nurses and paramedics, board to create interdisciplinary work group to consider articulation between nursing and paramedic programs	168
Peer mentoring pilot program, board and Western Washington University to choose a community or technical college to collaborate in	446
Running start program, provisions	450
Tuition, resident and nonresident undergraduates.	574
Workforce and economic development, multi-agency report to legislature on progress	151
Workforce education and training, colleges designated as centers of excellence for.	151

COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT, DEPARTMENT (See also ECONOMIC DEVELOPMENT COMMISSION)

Appliance efficiency rebate program, department authority to create	379
Commercialization and innovation, department and life sciences and technology trade associations to encourage growth of	425
Community development financial institutions, linked deposit program loans to	384
Department of commerce, changing department's name to and adding duties	565
Economic and workforce development, coordination of	151

SUBJECT INDEX OF 2009 STATUTES

COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT, DEPARTMENT (See also ECONOMIC DEVELOPMENT COMMISSION) - con't.

Chapter

Electric vehicles, department role in infrastructure development and transition from combustion to electric vehicles	459
Energy efficiency upgrade pilot programs, department collaboration with Washington State University extension energy program on elements of	379
Energy freedom program, expanding	451
Evergreen jobs act, provisions relating to evergreen jobs initiative and training account	536
Independent youth housing program, provisions	148
Industrial projects of statewide significance, name changed to projects of statewide significance	421
Innovation partnership zone program	72
Motion picture competitiveness programs, maximum funding assistance increase	100
Name of the department, changing to department of commerce and adding duties	565
Projects of statewide significance, designation by department	421
Strategic plan for enhancing energy efficiency and reducing greenhouse gas emissions in the built environment	423
Transfer of development rights program, central Puget Sound region	474
Weatherization, department role in creation of low-income programs through grants	379
Workforce and economic development, clarifying terms for	353
Workforce and economic development, coordination of	151
Workforce and economic development, multi-agency report to legislature on progress	151

COMMUTING

Joint comprehensive commute trip reduction plan for certain state agencies, including institutions of higher education	427
--	-----

COMPUTERS

Digital products, sales and use tax provisions	535
High-speed internet work group to be renamed the advisory council on digital inclusion	509
High-speed internet, department of information services authority for overseeing broadband adoption and deployment efforts on behalf of the state	509
Higher education technology transformation task force to be convened by higher education coordinating board	407
Online learning, development, approval, implementation, and administration of alternative learning experience online courses and programs for students	542

CONDOMINIUMS

Associations, exemption from reserve account and study requirements for smaller associations	307
--	-----

CONSERVATION

Habitat conservation account and riparian protection account provisions, references to mitigation banking projects removed	16
Paper, state agency paper conservation program to use one hundred percent recycled content paper	356
Wildlife and recreation program, qualified applicants and procedures for funding from accounts	341

CONSERVATION COMMISSION

Operation and authority of commission	55
---	----

CONSUMER PROTECTION

Rebates, consumer protections	374
---	-----

SUBJECT INDEX OF 2009 STATUTES

CONSUMER PROTECTION - con't.

Chapter

Unfair business practices, recovery of damages due to consumer protection act violations	371
Vehicle dealer documentary service fees, disclosure that fee is negotiable required	123

CONTRACTS (See PUBLIC WORKS)

CONTRACTORS

Construction industry, identification and records requirements for contractors	432
Construction trade worker licenses, certificates, or permits to be in possession while working	36
County road construction budget restrictions, recalculating county forces construction project cost limits	29
Joint legislative task force on the underground economy, establishment and duties	432
Public works projects, payment of undisputed claims	193
Resale certificates, improper use of and replacement with seller's permits issued by department of revenue	563

CORPORATIONS (See also NONPROFIT CORPORATIONS)

Corporations sole, licensing and renewal	437
Public hospital capital facility areas, establishment as quasi-municipal corporations and independent taxing units within counties	481
Washington business corporation act, revisions	189

CORRECTIONS, DEPARTMENT

Categories of offenders supervised by department, revisions	375
Community custody, technical corrections to RCW provisions	28
Corrections personnel, department responsibility for meeting training needs of prisons personnel it employs	146
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Extraordinary medical placement, conditions	441
Notification of victims and witnesses, domestic violence court order violations added to list of eligible offenses	400
Release dates for offenders, department approval of jail certification from a correctional agency calculating earned release time	399
Release from state institutions, earned release time and provision of rental vouchers for certain offenders	455
Right to vote, conditions for restoration for convicted felons	325
Search and arrest of offenders, authority provisions	390

COUNSELORS AND COUNSELING

Counseling professions subject to authority of secretary of health under the uniform disciplinary act	52
Human trafficking course, all licensed counselors, marriage and family therapists, and social workers required to take	492
Privilege, provisions for licensed mental health practitioners	424

COUNTIES

Auditors, provisions	337
Border county higher education opportunity project, provisions revised	158
Chemical dependency services, mental health treatment, and therapeutic courts, local sales and use tax for	551
City-county assistance account, changes in distribution of moneys	127
Claims for damages against local governmental entities, procedures and claim forms	433
Community revitalization financing, use of general obligation bonds and tax allocation revenues for public improvements	270
County investment pool, reimbursement of actual expenses incurred by a county establishing a pool	553

SUBJECT INDEX OF 2009 STATUTES

COUNTIES - con't.

Chapter

County road construction budget restrictions, recalculating county forces construction project cost limits	29
County supervised community options	227
Court commissioners, appointed by superior court presiding judge to assist with criminal cases	140
Elected county officers, location of offices provided by boards of county commissioners	105
Electric vehicles, local government role in infrastructure development and transition from combustion to electric vehicles	459
Electricity generation facilities using biomass fuels, authority of county to construct or purchase	281
Employees, options for determining pay periods	239
Energy efficiency and renewable energy improvements for municipal property owners, financing through sustainable energy trust program	65
Energy overlay zones, siting renewable resource projects	419
Fees collected by county clerks	417
Fire protection purposes, sales and use tax	551
Growth management, specific facilities planning requirements under growth management act	121
High capacity transportation corridor areas, establishment and funding	280
Homeless services, document recording fee charged by auditor for	462
Horticultural pest and disease boards, membership	96
Housing development for low-income persons, affordable housing incentive programs	80
Leasing of county property, authority to lease with an option to purchase	153
Local infrastructure financing tool, provisions	267
Local sales and use tax for chemical dependency services, mental health treatment, and therapeutic courts	551
Local tourism promotion areas, restriction on forming in counties with population of one million or more removed	442
Moratoria and interim official controls, local government authority to adopt under shoreline management act	444
Projects of statewide significance, qualifications and procedures for designation	421
Public community athletics programs and facilities, discrimination on the basis of sex prohibited	467
Public facilities districts, formation, operation, and nonstate funding	533
Public facilities in rural counties, time period during which sales and use tax may be collected for	511
Public hospital capital facility areas, establishment as quasi-municipal corporations and independent taxing units within counties	481
Public works, local assistance funds	45
Raffles, county authority to conduct as bona fide nonprofit organization	137
Rail freight service, funding through grants from essential rail assistance account	160
Railroads, expending existing real estate excise taxes on municipally owned heavy rail short lines	211
Real estate and property tax administration assistance account, creation	308
Recreational vehicles, serving as primary residences in manufactured and mobile home communities	79
Reimbursement of actual expenses incurred by a county establishing a county investment pool	553
Revaluation of property by counties for property tax purposes, annual	308
Rural county library districts, initial levy rates	306
Sheriffs, five-member civil service commissions authorized	112
Shoreline management act, local government authority to adopt moratoria and interim official controls	444
Transfer of development rights program, central Puget Sound region	474
Urban growth areas, restrictions on expansion into one hundred year floodplain	342
Urban passenger transportation systems, clarifying limits of special fuel tax exemption	352

SUBJECT INDEX OF 2009 STATUTES

COUNTIES - con't.

Chapter

Water or sewer facility construction, municipal participation in funding and reimbursement amounts	230
Watershed management partnerships, eminent domain authority granted	504

COURT OF APPEALS

Judges, increasing number in division two	77
Surcharge for appellate review, county clerk to transmit to state treasurer for deposit in judicial stabilization trust account	572

COURTS (See also COURT OF APPEALS; DISTRICT COURT; JUDGES; JURIES; SUPERIOR COURT)

Commissioners, appointment to assist with criminal cases	140
Contempt of court sanctions, location of imprisonment	37
Deferred prosecution, treatment plan to be filed with court	135
Drug court program, funding to support administrative and overhead costs associated with operation of.	445
Electronic signatures for juror declarations	330
Judicial stabilization trust account, establishment and deposit of moneys	572
Jurors, electronic signatures for declarations	330
Juvenile case records, center for court research and office of public defense access	440
Limited jurisdiction courts, treatment plan to be filed with court in cases of deferred prosecution.	135
Local sales and use tax for chemical dependency services, mental health treatment, and therapeutic courts	551
Public guardianship office, references to advisory committee	117
Water rights adjudication, procedures.	332

CREDIT AND DEBIT CARDS

Securing information, requirements for retailers	382
--	-----

CRIME LABORATORY SYSTEM (See STATE PATROL)

CRIMES (See also SENTENCING; SEX OFFENSES AND OFFENDERS; VICTIMS OF CRIMES)

Alien firearm license, requirements and violations.	216
Assault of a child in the first degree, offender sentencing review requirements and conditions of release	214
Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141
Christmas trees, removing from or injuring on public or private land	349
Criminal libel, repealing statutes.	88
Cruelty to animals, violations and penalties	287
Drug offenses, provisions for alternative sentencing	389
Eryk Woodruff public safety act of 2009	214
Firearms possession by an involuntarily committed person, provisions.	293
Gambling, underage	357
Malicious harassment, modifying the definition of "sexual orientation" for prosecution purposes	180
Motor carriers, violations and penalties	46
Notification of victims and witnesses, domestic violence court order violations added to list of eligible offenses	400
Property, threshold values for crimes against	431
Prostitution-related offenses, impoundment of vehicles used in.	387
Retail crime task force.	431
School employees, crimes requiring dismissal or certificate revocation	396
Serious violent offense, supervision requirement for community custody sentence when offender has a current conviction for a	376
Sex offenses against minor victims, prosecution until victim's twenty-eighth birthday to be allowed in certain cases	61
Sexual misconduct with a minor in first and second degree, school employee perpetrators.	324
Statute of limitations, six years for certain crimes	53

SUBJECT INDEX OF 2009 STATUTES

CRIMES (See also SENTENCING; SEX OFFENSES AND OFFENDERS; VICTIMS OF CRIMES) - con't.

Chapter

Tobacco sales, selling certain products by mail order or internet to someone other than a wholesaler or retailer	278
Unlawful public transit conduct, violations and penalties	279

CRIMINAL JUSTICE TRAINING COMMISSION

Corrections personnel, commission to adopt standards and provide basic training only for corrections personnel not employed by the department of corrections prisons division	146
Crisis services, commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Hearings, certification actions of peace officers	25
Psychological examinations for peace officer certification	139

CRIMINAL OFFENDERS (See also SEX OFFENSES AND OFFENDERS; VICTIMS OF CRIMES)

Assault of a child in the first degree, offender sentencing review requirements and conditions of release	214
Categories of offenders supervised by department of corrections, revisions	375
Certificate of discharge, no-contact order	288
Community custody, provisions for alternative sentencing	389
Community custody, supervision requirement for offenders with a current conviction for a serious violent offense when sentenced to	376
Community custody, technical corrections to RCW provisions	28
County supervised community options	227
Drug offenses, provisions for alternative sentencing	389
Eryk Woodruff public safety act of 2009	214
Extraordinary medical placement, conditions	441
Medication management in jails, jail medication management work group to develop a model policy	411
Notification of victims and witnesses, domestic violence court order violations added to list of eligible offenses	400
Prostitution-related offenses, impoundment of vehicles used in	387
Registered sex and kidnapping offenders, sex offender policy board to make recommendations concerning submission of information regarding offender e-mail addresses	532
Registration, state patrol annual notification of juvenile sex or kidnapping offenders of ability to petition for relief from registration	210
Release dates for offenders, department approval of jail certification from a correctional agency calculating earned release time	399
Release from state institutions, earned release time and provision of rental vouchers for certain offenders	455
Right to vote, conditions for restoration for convicted felons	325
Search and arrest of offenders, authority provisions	390
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364
Work release, crime victims to submit input	69

CRIMINAL PROCEDURE

Deferred prosecution, treatment plan to be filed with court	135
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364
Serious violent offense, supervision requirement for community custody sentence when offender has a current conviction for a	376
Victims and witnesses, right to present a statement at sentence review or clemency and pardons hearing	138

CULTURAL FACILITIES

Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58
--	----

SUBJECT INDEX OF 2009 STATUTES

Chapter

DEAF

State school, transfers of accumulated leave of employees	47
Washington state center for childhood deafness and hearing loss, direction of state school for the deaf by	381

DEEDS

Deeds of trust, foreclosure	292
-----------------------------------	-----

DENTISTS AND DENTISTRY

Disciplinary proceedings, dental quality assurance commission to assess a partial recovery of state's hearing expenses in certain cases	177
Hygienists, licensing and duties, including operations and services at senior centers	321
Licensing of dentists, dental quality assurance commission approval for issuance of limited license	327

DEPENDENCY PROCEEDINGS (See ACTIONS AND PROCEEDINGS; CHILDREN)

DEVELOPMENTAL DISABILITIES, PERSONS WITH

Developmental disabilities council, work group for developing screening tool and providing recommendations for accommodating offenders with developmental disabilities	447
Identifying and accommodating persons with developmental disabilities serving time in correctional facilities and jails	447
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008.	2
Intensive behavior support services	194
Less restrictive treatment, renewal of orders for persons with developmental disabilities released from involuntary mental health treatment	323
Respectful language in state laws, code reviser directed to replace "mental retardation" with "intellectual disability"	377
Respite care for primary care providers, eligibility	312

DISABILITIES, PERSONS WITH (See also DEVELOPMENTAL DISABILITIES, PERSONS WITH)

Dyslexia, development of dyslexia handbook and educator training program to enhance skills of students with	546
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008.	2
Service animal training, attendance by state agency employees with sensory disabilities	294
Wheelchair and stairway chair lifts, definitions and use	128

DISCRIMINATION

Malicious harassment, modifying the definition of "sexual orientation" for prosecution purposes	180
Public community athletics programs, discrimination on the basis of sex prohibited	467
Racial disproportionality advisory committee, recommendations concerning child welfare system	213

DISSOLUTION OF MARRIAGE

Parenting plans, modification due to parent's military service	502
--	-----

DISTRICT COURT

Benton county, increase in number of judges	86
Fees collected by district court clerks, allowed as court costs	372
King county, increase in number of judges	26
Small claims department, surcharges on various filing fees to be remitted by clerk for deposit in judicial stabilization trust account	572
Statutory costs, provisions	240

SUBJECT INDEX OF 2009 STATUTES

DISTRICT COURT - con't.

Chapter

Surcharges on various filing and other fees, clerks to remit for deposit in judicial stabilization trust account	572
---	-----

DOGS

Breeding, humanitarian requirements for certain practices	286
---	-----

DOMESTIC PARTNERS (See also DISCRIMINATION)

State insurance and pension benefits	523
State patrol retirement system benefits	522
State registered domestic partners, rights and responsibilities	521

DOMESTIC RELATIONS (See also CHILD CUSTODY; DISSOLUTION OF

MARRIAGE; FAMILY LIFE)

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Child support, calculation of	84
Child support, review of support payments by secretary of department of social and health services	527
Domestic partners, rights and responsibilities of state registered partners	521
Domestic partners, state insurance and pension benefits	523
Domestic partners, state patrol retirement system benefits	522
Foster care placement, placement of child with a relative or other suitable person	491
Medical support obligations as part of child support order, provisions	476
Postadoption contact with siblings, children's interests in maintaining	234

DOMESTIC VIOLENCE

Animal protection orders	439
Notification of victims and witnesses, domestic violence court order violations added to list of eligible offenses	400

DRIVER TRAINING AND DRIVER TRAINING SCHOOLS

Schools, clarification of permitting, training, and licensing process	101
---	-----

DRIVERS' LICENSES

Agribusiness drivers, exemption from certain commercial driver's license requirements	339
Commercial drivers, "conviction" defined for purposes of the uniform commercial driver's license act	181
Intermediate licenses, limitations modified	125
Law enforcement access to driver's license photographs for identity verification	366

DRUGS

Drug court program, funding to support administrative and overhead costs associated with operation of	445
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364
Veterinary prescription drugs, technician performance of certain drug preparation functions when delegated by licensed veterinarian	136

EARLY LEARNING, DEPARTMENT

Basic education, redefinition, funding, and accountability	548
Professional development consortium to develop recommendations for statewide preparation and development for the early learning and school-age program workforce	406

EASTERN WASHINGTON UNIVERSITY

Capital projects account, use of funds for certificates of participation authorized	499
Tuition, resident and nonresident undergraduates	574

SUBJECT INDEX OF 2009 STATUTES

Chapter

ECOLOGY, DEPARTMENT (See also AIR POLLUTION; WATER POLLUTION)

Emergency response towing vessels for Strait of Juan de Fuca and west coast of Washington state	11
Integrated climate change response strategy, department to coordinate with agencies and other groups	519
Lead wheel weight alternatives, achieving compliance	243
Oil spills, emergency response towing vessels for Strait of Juan de Fuca and west coast of Washington state	11
Outdoor burning provisions of Washington clean air act, clarifications	118
Reclaimed water use, permitting requirements and violations and penalties	456
Registered collectors, repair and reuse of electronic products	285
Shoreline location shifts, regulatory relief for property owners when shift is due to habitat restoration projects	405
State agency climate leadership, reducing greenhouse gas emissions and energy consumption by state government	519
Storm water technical resource center and advisory committee, department to create in partnership with a university or other entity	449
Strait of Juan de Fuca and west coast of Washington state, emergency response towing vessels	11
Waste tire piles, efforts to clean up and prevent the creation of in the future	261
Water banking, trust water rights program used for	283
Water discharge fees, changes	249
Water quality standards, amendment by department to authorize compliance schedules for discharge permits in certain cases	457
Water rights adjudication, procedures	332

ECONOMIC DEVELOPMENT COMMISSION

Innovation partnership zone program	72
Workforce and economic development, clarifying terms for	353
Workforce and economic development, coordination of	151
Workforce and economic development, multi-agency report to legislature on progress	151

EDUCATION, STATE BOARD

Assessments and curricula, implementing recommendations of WASL legislative work group	310
Civics instruction added to requirements for receiving a high school diploma	223
School year, waivers from one hundred eighty-day requirement for school districts proposing a flexible calendar	543
WASL legislative work group, implementation of recommendations concerning statewide assessments and curricula	310

EDUCATIONAL SERVICE DISTRICTS

State schools for blind and deaf, transfers of accumulated leave of employees	47
---	----

ELECTIONS (See also CAMPAIGNS; INITIATIVE AND REFERENDUM)

Ballots, inactive voters	103
Ballots, voter identification marks by election officials not allowed	414
Candidate filing, provisions modified	106
Election provisions, technical corrections	107
President of United States, interstate agreement for election by national popular vote	264
Right to vote, conditions for restoration for convicted felons	325
Secretary of state, reducing costs of elections division of office of	415
Special, changing noncharter code city's form of government	7
Special, dates they may be held modified	413
Voter registration, qualifications and procedures	369

ELECTRIC UTILITIES (See also ELECTRICITY)

Biomass fuels in renewable energy production, tax incentives for use	469
Biomass fuels, electricity generation facilities using	281
Conservation project loans from municipal utilities and public utility districts, repayment period expanded	416

SUBJECT INDEX OF 2009 STATUTES

ELECTRIC UTILITIES (See also ELECTRICITY) - con't.

Chapter

Customer interest protections in proceedings before utilities and transportation commission	24
Electrolytic processing businesses, tax exemption for electricity use	434
Greenhouse gases emissions performance standard, electric utility compliance required before long-term financial commitment is allowed	147, 448
Hog fuel, tax exemptions when used for production of electricity	469
Rates, discounts for low-income and low-income senior customers of gas and electric companies	32
Renewable energy sources, tax incentives for use of biomass fuels to generate electricity	469
Renewable resources, electricity generation facilities using biomass fuels	281
Solar energy, community solar projects incentives	469

ELECTRICITY (See also ELECTRIC UTILITIES)

Electric vehicles, infrastructure development and transition from combustion to electric vehicles	459
Electrician licenses, certificates, or permits to be in possession while working	36
Hog fuel, tax exemptions when used for production of electricity	469
Registered collectors, repair and reuse of electronic products	285
Renewable energy sources, tax incentives for use of biomass fuels to generate electricity	469
Renewable energy, sales and use tax exemptions	469
Renewable resource project siting, county energy overlay zones	419
Renewable resources, electricity generation facilities using biomass fuels	281

ELECTRONIC EQUIPMENT

Registered collectors, repair and reuse of electronic products	285
--	-----

ELEVATORS

Worker licenses, certificates, or permits to be in possession while working	36
---	----

EMERGENCY MEDICAL TECHNICIANS

Paramedics and nurses, community and technical colleges board to create interdisciplinary work group to consider articulation between nursing and paramedic programs	168
Violent injuries, reporting	359

EMERGENCY SERVICES

Emergency response towing vessels for Strait of Juan de Fuca and west coast of Washington state	11
Flooding, insurer disclosure that policy does not cover flood damage	14
Strait of Juan de Fuca and west coast of Washington state, emergency response towing vessels	11

EMPLOYMENT (See also WAGES AND HOURS)

County employees, options for determining pay periods	239
Driving record abstracts, release to current or prospective employer or volunteer organization for employment purposes related to driving	276
Family leave insurance program, delaying implementation	544
Foreign workers, disclosure statement from employers and international labor recruitment agencies to be given to	492
Voluntarily leaving part-time work, qualifying for unemployment benefits under certain circumstances	247

EMPLOYMENT SECURITY DEPARTMENT

Administrative contingency fund, high-demand occupation training program funds for certain unemployed persons to come from separate account within	566
Economic security act of 2009	3
Evergreen jobs act, labor market research	536
High-demand occupation training program funds, role of department in use by workforce development councils to help certain economically disadvantaged adults and unemployed workers	566

SUBJECT INDEX OF 2009 STATUTES

EMPLOYMENT SECURITY DEPARTMENT - con't.

Chapter

Unemployment compensation, improving economic security through	3
Workforce and economic development, multi-agency report to legislature on progress	151

ENERGY (See also ELECTRIC UTILITIES; ELECTRICITY)

Appliance efficiency rebate program, department of community, trade, and economic development authority to create	379
Biomass energy, department of natural resources to develop and implement forest biomass energy demonstration projects	163
Biomass fuels in renewable energy production, tax incentives for use	469
Biomass fuels, electricity generation facilities using	281
Clean energy leadership initiative created and clean energy leadership council appointed and convened	318
Conservation project loans from municipal utilities and public utility districts, repayment period expanded	416
Efficiency code, products added and removed	501
Energy efficiency and renewable energy improvements for property owners, financing through sustainable energy trust program	65
Energy efficiency upgrade pilot programs, Washington State University extension energy program authority to implement grants for	379
Energy freedom program, expanding	451
Hog fuel, tax exemptions when used for production of electricity, steam, heat, or biofuel	469
Publicly funded housing, energy audits and retrofits	379
Renewable energy sources, tax incentives for use of biomass fuels in renewable energy production	469
Renewable energy, sales and use tax exemptions	469
Renewable resources, electricity generation facilities using biomass fuels	281
Solar energy panels, regulating use by homeowners' association members	51
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications	469
Solar energy, community solar projects incentives	469
Strategic plan for enhancing energy efficiency and reducing greenhouse gas emissions in the built environment	423
Sustainable energy trust program, energy efficiency and renewable energy improvements for property owners	65

ENGINEERS AND ENGINEERING

College engineering programs, programs in chemical, mechanical, and civil engineering no longer restricted to UW and WSU	207
--	-----

ENVIRONMENT

Climate leadership, reducing greenhouse gas emissions and energy consumption by state government	519
Green jobs, provisions of evergreen jobs act, including evergreen jobs initiative and training account	536
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Integrated climate change response strategy, department of ecology to coordinate with agencies and other groups	519
Office of regulatory assistance, program for improving function of environmental and business regulatory processes	97
Projects of statewide significance, qualifications for designation to include environmental benefit	421
Reclaimed water use, permitting requirements and violations and penalties	456
Refrigerants in motor vehicle air conditioning equipment, use of safe alternative refrigerant authorized	256
Tax incentives, various environmental	469

SUBJECT INDEX OF 2009 STATUTES

ENVIRONMENT - con't.

Chapter

Water discharge fees, changes	249
-------------------------------------	-----

ESTATES

Estate distribution documents, certified public accountants exempted from restrictions on marketing for certain purposes	113
Vulnerable adults, financial exploitation by an abuser	525

EVERGREEN STATE COLLEGE, THE

Capital projects account, use of funds for certificates of participation authorized	499
Tuition, resident and nonresident undergraduates	574

EXPLOSIVES

Licenses, expiration dates	39
----------------------------------	----

FAIRS AND EXHIBITIONS

Agricultural fairs, annexation by cities or towns of territory used for	402
---	-----

FAMILY LIFE

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Dependency proceedings, guardian ad litem background information records and procedures for appointment	480
Dependency proceedings, housing assistance for the child	397
Dependency proceedings, notice of custody and process for out-of-home care placement to encourage parental engagement in overall process.	477
Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Dependency proceedings, parenting plans and residential schedules	526
Family leave insurance program, delaying implementation	544
Foster care placement, placement of child with a relative or other suitable person	491
Guardians ad litem, background information records and procedures for appointment	480
Medical support obligations as part of child support order, provisions	476
Postadoption contact with siblings, children's interests in maintaining	234
Sexually aggressive youth, treatment eligibility and funding	250

FARMS (See also LIVESTOCK)

Dairy nutrient management program, violations	143
Energy assessments, Washington State University extension energy program to form team to develop and offer new methods for	379
Farm vehicle trip permit, extending time period covered by	452
Livestock nutrient management equipment and facilities, sales and use tax exemption	469
Property tax, specifications for farm and agricultural land classification	513
Single-occupancy farm conveyances, definition and use	128

FERRIES

Anacortes to San Juan Islands ferry route, added to scenic and recreational highway system	277
Lake Chelan, study of appropriateness of rate and service regulation of commercial ferries operating on	557
Property tax, ferry district levy rates	551
Rate and service regulation of certain commercial ferry services, utilities and transportation commission authority to forebear from	557
Scenic and recreational highway system, all state ferry routes added to	277
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272

FINANCIAL INSTITUTIONS

Community development financial institutions, linked deposit program loans to	384
Consumer loan companies, compliance with the secure and fair enforcement for mortgage licensing act of 2008	120

SUBJECT INDEX OF 2009 STATUTES

FINANCIAL INSTITUTIONS - con't.

Chapter

Credit and debit cards, information security requirements for retailers	382
Energy efficiency projects, promoting financial institution involvement in financing of	379
Public deposit protection commission, modernization and clarification of powers in regard to banks and savings associations as public depositories.	9
Reverse mortgage act	149

FINANCIAL INSTITUTIONS, DEPARTMENT

Financial services committees of legislature, department to report concerning small loan payment plans	510
Mortgage brokers, compliance with secure and fair enforcement for mortgage licensing act of 2008	528
Prevent or reduce owner-occupied foreclosure program, housing finance commission to implement and administer with department	386
Reverse mortgage act	149
Reverse mortgage loans, department authority to develop rules to interpret requirements and limitations	149

FINANCIAL MANAGEMENT, OFFICE

Climate leadership, office to develop strategies for reducing greenhouse gas emissions and energy consumption by state government	519
Health professional licensing information, office of financial management access to	343
Office of minority and women's business enterprises, requirement and schedule for submission of data by state agencies and educational institutions to	348
Small businesses, director to develop procurement policies and procedures to support	486

FIRE PROTECTION

Local sales and use, fire protection purposes	551
Novelty lighters, prohibition of sale and distribution	273

FIRE PROTECTION DISTRICTS

Annexation of a portion of a fire protection district by a city, procedures and employee notification requirements.	60
Annexation, certain areas in cities and towns authorized to annex to a fire protection district	115

FIREARMS

Alien firearm license, requirements and violations.	216
Concealed pistol license, renewal by armed forces members.	59
Possession by an involuntarily committed person, provisions	293

FIREFIGHTERS (See also LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM)

Survivors of certain firefighters, benefits	156
---	-----

FISH (See also SALMON; STEELHEAD)

Dungeness crab coastal fishery, coastal commercial Dungeness crab pot removal program and removal permit	355
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing.	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Modernizing certain fish and wildlife provisions in title 77 RCW.	333
Pacific sardines commercial fishery, requiring purse seine fishery license or temporary annual fishery permit	331
Riparian protection account and habitat conservation account provisions, references to mitigation banking projects removed.	16

SUBJECT INDEX OF 2009 STATUTES

FISH (See also SALMON; STEELHEAD) - con't.

Chapter

Salmonid hatcheries closed or scheduled for closure, department of fish and wildlife to establish department-partner agreements for operation and management	340
--	-----

FISH AND WILDLIFE COMMISSION

Dungeness crab coastal fishery, coastal commercial Dungeness crab pot removal program and removal permit	355
Modernizing certain fish and wildlife provisions in title 77 RCW	333

FISH AND WILDLIFE, DEPARTMENT

Chaplain, department authorized to use services of a volunteer chaplain	204
Columbia river recreational salmon and steelhead pilot stamp program	420
Columbia river salmon and steelhead recreational anglers board to advise department for pilot stamp program	420
Direct retail endorsement for commercial fishing, alternate operator eligibility	195
Dungeness crab coastal fishery, coastal commercial Dungeness crab pot removal program and removal permit	355
Fish and wildlife equipment revolving account	368
Modernizing certain fish and wildlife provisions in title 77 RCW	333
Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97
Pacific sardines commercial fishery, requiring purse seine fishery license or temporary annual fishery permit	331
Salmonid hatcheries closed or scheduled for closure, department-partner agreements for operation and management	340

FISHING, COMMERCIAL (See also SALMON)

Direct retail endorsement for commercial fishing, alternate operator eligibility	195
Dungeness crab coastal fishery, coastal commercial Dungeness crab pot removal program and removal permit	355
Pacific sardines commercial fishery, requiring purse seine fishery license or temporary annual fishery permit	331

FISHING, RECREATIONAL (See also SALMON; STEELHEAD)

Shellfish, biotoxin testing and monitoring surcharge	577
--	-----

FLOOD CONTROL

Mt. St. Helen's eruption, disposal of dredged riverbed materials from	426
---	-----

FOOD AND FOOD PRODUCTS

Poultry slaughter and sale, special permits	114
---	-----

FOREST LAND (See also FOREST PRACTICES AND PRODUCTS; TIMBER AND TIMBER INDUSTRIES)

Commercial forestry operations, act of owning forested land defined as forest practice	200
Contract harvesting on state trust lands	418
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Outdoor burning provisions of Washington clean air act, clarifications	118
Property tax current use valuation programs, provisions	255
Property tax exemptions as part of process for transfer or sale of conservation easement of private forest land containing habitat of threatened or endangered species	354
State trust lands, contract harvesting	418

SUBJECT INDEX OF 2009 STATUTES

Chapter

FOREST PRACTICES AND PRODUCTS (See also FOREST LAND; TIMBER AND TIMBER INDUSTRIES)

Christmas trees, harvesting	245
Christmas trees, removing from or injuring on public or private land	349
Commercial forestry operations, act of owning forested land defined as forest practice	200
Contract harvesting on state trust lands	418
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Huckleberries, regulations	245
Log trucks, public utility tax on log transportation businesses	469
Specialized forest products outreach and education account	245
Specialized forest products, permitting process and theft protections	245
State trust lands, contract harvesting	418

FOSTER CARE

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Citizen review boards, elimination of	152
Federal fostering connections to success and increasing adoptions act of 2008, implementation	235
Foster family homes, placement of child returning to out-of-home care	482
Foster parent license, licensee to notify licensor before moving to new location	206
Placement of child with a relative or other suitable person	491

FUELS

Alternative fuel, definition of renewable diesel	132
Biofuels, tax exemptions for use of hog fuel to produce	469
Bunker fuel, business and occupation taxation of manufacturing and selling for use outside United States waters by foreign commercial vessels	494
Renewable diesel, definition	132
Solid fuel burning devices, restrictions	282

FUNERALS

Cemetery board and board of funeral directors and embalmers, consolidating as funeral and cemetery board	102
--	-----

GAMBLING (See also LOTTERY)

Amusement games, gambling commission authority to determine locations	78
Raffles, city or town authority to conduct as bona fide nonprofit organization	137
Raffles, increasing ticket prices	133
Underage gambling, penalties	357

GAMBLING COMMISSION

Amusement games, commission authority to determine locations	78
--	----

GAS COMPANIES

Customer interest protections in proceedings before utilities and transportation commission	24
Pipeline safety fees, date utilities and transportation commission sets fees changed	91
Rates, discounts for low-income and low-income senior customers of gas and electric companies	32

GENERAL ADMINISTRATION, DEPARTMENT

Climate leadership, department to develop strategies for reducing greenhouse gas emissions and energy consumption by state government	519
---	-----

SUBJECT INDEX OF 2009 STATUTES

GENERAL ADMINISTRATION, DEPARTMENT - con't.

Chapter

Energy efficiency and greenhouse gases in built environment, creating state portfolio manager master account and standardized report as part of strategic plan	423
Paper, state agency paper conservation program to use one hundred percent recycled content paper	356
Small businesses, department to convene working group and develop procurement policies and procedures to support	486

GOVERNOR

Budget, capital 2009-2011	497
Budget, operating 2009-2011 biennium and 2007-2009 supplemental	564
Budget, transportation 2009-2011	470
Clean energy leadership council to be appointed and convened by governor as part of clean energy leadership initiative	318
Declaration of a state of emergency, insurance commissioner granted authority to issue an order addressing claims and related matters.	335
Energy and climate change initiatives within state agencies, governor to designate an FTE position to provide accountability for	318
Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97

GREENHOUSE GASES (See AIR POLLUTION; CLIMATE; ELECTRIC UTILITIES; ENVIRONMENT)

GROWTH MANAGEMENT

Counties, identifying specific facilities planning requirements under growth management act.	121
---	-----

GUARDIANSHIP

Public guardianship office, references to advisory committee	117
Uniform adult guardianship and protective proceedings jurisdiction act	81

GUNS (See FIREARMS)

HAZARDOUS WASTE

Cleanup for waste sites, applicability of radioactive waste clean-up business and occupation tax classification to kinds of work performed at Hanford site	469
--	-----

HEALTH CARE (See also HEALTH CARE PROFESSIONS)

Advanced diagnostic imaging services, work group appointed by legislative leaders to identify best practice guidelines	258
Advanced registered nurse practitioners, mental health care involving commitment	217
Community health care collaborative grant program, established	299
Cost information, all fees and charges for services and procedures to be disclosed by provider	529
Critical access hospitals not subject to certificate of need review under some circumstances	54
Direct patient-provider primary care practices, payment arrangements	552
Facilities construction and development, certificate of need program	315
Genetic counselors, licensing	302
Health care assistants, administration of medications and vaccines	43
Health care discount plan organization act	175
Hospice care agencies, certificate of need exemption when serving unique needs of religious groups or ethnic minorities	89
Information, sharing to promote coordination of behavioral and medical care services	398
Initiative 1000, death with dignity act.	1
Insurance, basic health plan program changes necessary to implement 2009-2011 operating budget	568
Insurance, carriers allowed to implement alternative methods of communicating information to enrollees	304

SUBJECT INDEX OF 2009 STATUTES

HEALTH CARE (See also HEALTH CARE PROFESSIONS) - con't.

Chapter

Insurance, eligibility for Washington state health insurance pool	555
Insurance, exemptions from filling out standard health questionnaire	42
Insurance, health care discount plan organization act.	175
Insurance, health care insurance partnership timeline revisions	257
Insurance, issuers of medicare supplement insurance policies or certificates providing coverage.	161
Insurance, limited restrictions on an endorsing practitioner's authority to write a prescription to dispense only as written through state purchased health care plans.	575
Insurance, organ transplant coverage terms and conditions	487
Insurance, reducing organ transplant benefit waiting periods based on prior creditable coverage.	82
Insurance, small employer discount for employee wellness programs	131
Insurance, streamlined and uniform administrative procedures for payors and providers of health care services	298
Insurance, wellness incentives paid by health carrier	329
Medications, occupational therapists authorized to purchase, store, and administer	68
Methicillin-resistant staphylococcus aureus	244
Newborn children, appropriate locations for transfer	290
Organ transplant benefit waiting periods, reducing based on prior creditable coverage.	82
Organ transplant insurance coverage, terms and conditions	487
Primary care medical home reimbursement pilot projects, evaluation of by health care authority and department of social and health services	305
Professionals, reporting violent injuries	359
Public employees' benefits board, employee eligibility for benefits	537
Respite care for primary care providers of persons with developmental disabilities, eligibility.	312
Scoliosis screening in schools, eliminating.	41
Secure exchange of health information, health care authority to designate lead organization(s) to coordinate development of system for	300
Sexually transmitted diseases, sexual health education funding for programs to help prevent	303
Special education programs, billing for medical services through	73
Telemedicine, delivery of medical assistance program home health care services through.	326
Unintended pregnancy, sexual health education funding for programs to help prevent	303
Youth sports, adoption of policies for the management of concussions and head injuries.	475

HEALTH CARE AUTHORITY

Advanced diagnostic imaging services, authority to implement for all state purchased health care programs the best practice guidelines identified by the legislative work group.	258
Basic health plan program changes necessary to implement 2009-2011 operating budget.	568
Community health care collaborative grant program, established	299
Domestic partners, state insurance benefits	523
Electronic signatures as part of benefit application process	201
Eligibility for benefits, determination and periodic review of state employees concerning	537
Prescriptions, limited restrictions on an endorsing practitioner's authority to write a prescription to dispense only as written through state purchased health care plans.	575
Primary care medical home reimbursement pilot projects, evaluation of by authority and department of social and health services	305
Secure exchange of health information, authority to designate lead organization(s) to coordinate development of system for	300
Washington state quality authority, eliminated.	488

SUBJECT INDEX OF 2009 STATUTES

Chapter

HEALTH CARE PROFESSIONS (See also COUNSELORS AND COUNSELING; HEALTH CARE)

Advanced registered nurse practitioners, mental health care involving commitment	217
Cost information, all fees and charges for services and procedures to be disclosed by provider	529
Direct patient-provider primary care practices, payment arrangements	552
Genetic counselors, licensing	302
Health care assistants, administration of medications and vaccines	43
Human trafficking course, all persons licensed to practice medicine required to take	492
Impaired physician program, requirements for licensing surcharge funding	98
Initiative 1000, death with dignity act.	1
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008	2
Licensing information, office of financial management access to	343
Long-term care worker training and background checks, changes to provisions.	580
Mental health service providers, disclosure of information concerning services received by persons who have been committed.	320
Occupational therapists, authorized to purchase, store, and administer medications	68
Physicians, retired active license.	403
Prescription pads, tamper-resistant	328
Providers and payors of health care services, streamlined and uniform administrative procedures to be established	298
Registered nurses, delegation of authority for various tasks to nurse by optometrist	203
Secure exchange of health information, health care authority to designate lead organization(s) to coordinate development of system for	300
Speech-language pathology assistants, certification provisions	301
University of Washington health sciences library, online access to by certain health care providers	558
Violent injuries, health care professionals to report	359

HEALTH DEPARTMENTS, LOCAL

Child mortality reviews to be conducted and collected by local health departments with assistance from department of health	134
---	-----

HEALTH MAINTENANCE ORGANIZATIONS

Health care facilities construction and development, certificate of need program	315
--	-----

HEALTH, DEPARTMENT

Birth certificates, disclosure of confidential information	44
Certificate of need review by department under certain circumstances	242
Child mortality reviews to be conducted and collected by local health departments with assistance from department of health	134
Counseling professions subject to authority of secretary of health under the uniform disciplinary act	52
Genetic counselors, licensing	302
Group B public water systems, waiver of some requirements by state board of health for systems with fewer than five connections.	495
Health care assistants, administration of medications and vaccines.	43
Health professional licensing information, office of financial management access to	343
Hospitals, conditions to be met before issuance of final report after unannounced inspection.	242
Human remains, electronic approval of vital records by medical examiner, funeral director, and others	231
Impaired physician program, requirements for licensing surcharge funding	98

SUBJECT INDEX OF 2009 STATUTES

HEALTH, DEPARTMENT - con't.

Chapter

Medication management in jails, department to review annually medication practices of five jails	411
Pesticide poisoning and exposure, department flexibility in investigation of.	495
Programs under supervision of department, changes to provisions relating to certain programs.	495
Public water systems, chlorine residual measurement requirements for certain group A water systems	367
Public water systems, operator certification and responsibilities	221
Reclaimed water use, permitting requirements and violations and penalties	456
Shellfish, biotoxin testing and monitoring surcharge	577
Speech-language pathology assistants, certification provisions	301
Tattooing, body art, body piercing, comprehensive regulations	412
Washington state quality authority, eliminated	488

HEALTH, STATE BOARD

Group B public water systems, waiver of some requirements by board for systems with fewer than five connections	495
---	-----

HIGHER EDUCATION COORDINATING BOARD

Border county higher education opportunity project, provisions revised	158
College information web-based access portal for students, work group	23
Conditional scholarship programs to be subject to availability of appropriations	539
Higher education loan program, creation	215
Higher education technology transformation task force to be convened by board	407
Opportunity pathway, labeling all nonfederal financial aid awarded to resident undergraduates as	215
Tuition and financial aid policy, board to review options and make recommendations	540
Work-study opportunity grant for high-demand occupations, creation	215
Work-study program, state	172

HISTORIC PRESERVATION (See ARCHAEOLOGY AND HISTORIC PRESERVATION, DEPARTMENT)

HOMELESS PERSONS

Services for the homeless, document recording fee charged by county auditor for	462
---	-----

HOMEOWNERS' ASSOCIATIONS

Real estate disclosure requirements regarding homeowners' associations	130
Solar energy panels, regulating use by association members	51

HORSES AND HORSE RACING

Washington bred owners' bonus fund and breeder awards account	87
---	----

HOSPICE CARE

Agencies, certificate of need exemption when serving unique needs of religious groups or ethnic minorities	89
--	----

HOSPITALS

Certificate of need review by department of health under certain circumstances.	242
Cost information, all fees and charges for services and procedures to be disclosed by provider	529
Critical access hospitals not subject to certificate of need review under some circumstances	54
Disproportionate share hospital adjustments by department of social and health services, appropriation of funds for	538
Health care facilities construction and development, certificate of need program	315
Methicillin-resistant staphylococcus aureus	244
Public hospital capital facility areas, establishment as quasi-municipal corporations and independent taxing units within counties	481
Unannounced inspections, conditions to be met before issuance of final report	242

SUBJECT INDEX OF 2009 STATUTES

HOSPITALS - con't.

Chapter

Violent injuries, reporting	359
---------------------------------------	-----

HOUSING (See also MANUFACTURED HOUSING; MOBILE HOMES; REAL ESTATE AND REAL PROPERTY)

Affordable housing entities, joint self-insurance programs covering property or liability risks	314
Consumer loan act, exemption from requirements for nonprofit housing organizations and for loans and persons making loans in certain cases	311
Dependency proceedings, housing assistance for the child	397
Energy efficiency and renewable energy improvements for residential property owners, financing through sustainable energy trust program	65
Homeowners' associations, real estate disclosure requirements regarding	130
Independent youth housing program, provisions	148
Low-income housing development, affordable housing incentive programs	80
Low-income senior citizen housing, exemptions	483
Nonprofit housing organizations, exemption from consumer loan act	311
Prevent or reduce owner-occupied foreclosure program	386
Publicly funded housing, energy audits and retrofits	379
Weatherization, expansion of low-income programs	379

HOUSING FINANCE COMMISSION

Debt limit of commission, increase	291
Energy efficiency and renewable energy improvements for property owners, financing through sustainable energy trust program	65
Prevent or reduce owner-occupied foreclosure program, commission to implement and administer with department of financial institutions	386

HUMAN REMAINS (See also CEMETERIES)

Cemetery board and board of funeral directors and embalmers, consolidating as funeral and cemetery board	102
Electronic approval of vital records by medical examiner, funeral director, and others	231

HUNTING

Licenses, requirements for members of military	269
--	-----

IDENTIFICATION

Identification devices, limits on scanning	66
Identity verification, law enforcement access to driver's license photographs	366

IMPACT FEES

School facilities, extension of time limit for fee use	263
--	-----

INDETERMINATE SENTENCE REVIEW BOARD

Hearings, right of victims or their survivors and witnesses to present a statement before parole or community custody release	138
---	-----

INDIANS

American Indian endowed scholarship program, matching fund requirement eliminated	259
Child welfare system, reducing racial disproportionality in system and racial disparities in outcomes	520
Racial disproportionality advisory committee, recommendations concerning child welfare system	213
State highways within reservation boundaries, tribal authority for setting maximum speed limits	383

INFORMATION SERVICES, DEPARTMENT

High-speed internet work group to be renamed the advisory council on digital inclusion	509
High-speed internet, department authority for overseeing broadband adoption and deployment efforts on behalf of the state	509

SUBJECT INDEX OF 2009 STATUTES

INFORMATION SERVICES, DEPARTMENT - con't.

Chapter

Information services board to develop procurement policies and procedures to support small businesses	486
---	-----

INITIATIVE AND REFERENDUM

Initiative 1000, death with dignity act	1
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008	2
Special elections, dates they may be held modified	413

INSURANCE (See also HEALTH CARE AUTHORITY; MEDICARE; PUBLIC ASSISTANCE; WORKERS' COMPENSATION)

Adjusters, revised regulations	162
Affordable housing entities, joint self-insurance programs covering property or liability risks	314
Annuities, sales by insurers subject to suitability provisions	18
Business continuity plans, domestic insurers required to create plans for local, state, or national emergencies	150
Declaration of a state of emergency by governor, insurance commissioner granted authority to issue an order addressing claims and related matters	335
Disclosure of information concerning mental health services received by persons who have been committed	320
Domestic partners, state insurance benefits	523
Family leave insurance program, delaying implementation	544
Flooding, insurer disclosure that policy does not cover flood damage	14
Guaranteed asset protection waiver account, created	334
Guaranteed asset protection waiver model act	334
Health care discount plan organization act	175
Health care insurance partnership timeline revisions	257
Health care, basic health plan program changes necessary to implement 2009-2011 operating budget	568
Health care, carriers allowed to implement alternative methods of communicating information to enrollees	304
Health care, community health care collaborative grant program established	299
Health care, direct patient-provider primary care payment arrangements	552
Health care, exemptions from filling out standard health questionnaire	42
Health care, issuers of medicare supplement insurance policies or certificates providing coverage	161
Health care, limited restrictions on an endorsing practitioner's authority to write a prescription to dispense only as written through state purchased health care plans	575
Health care, organ transplant coverage terms and conditions	487
Health care, reducing organ transplant benefit waiting periods based on prior creditable coverage	82
Health care, small employer discount for employee wellness programs	131
Health care, streamlined and uniform administrative procedures for payors and providers of health care services	298
Health care, wellness incentives paid by health carrier	329
Higher education students, insurance requirements when studying or researching abroad	297
Life insurance, noninsurance benefits included in policies	76
Life settlement contracts, life settlements model act	104
OASI revolving fund, expenditures from fund for costs of program administration authorized	171
Organ transplant benefit waiting periods, reducing based on prior creditable coverage	82
Organ transplant insurance coverage, terms and conditions	487
Producers, revised regulations	162
Public employees' benefits board, employee eligibility for benefits	537
Rental car companies, rental agreements and vehicle license cost recovery fees	346
Self-service storage specialty producers, issuance of insurance to occupants by licensed producers	119
Surplus line brokers, revised regulations	162
Title insurance agents, revised regulations	162

SUBJECT INDEX OF 2009 STATUTES

INSURANCE (See also HEALTH CARE AUTHORITY; MEDICARE; PUBLIC ASSISTANCE; WORKERS' COMPENSATION) - con't.	Chapter
Various provisions	161
Viatical settlements, life settlements model act	104
Washington state health insurance pool, eligibility for	555
INSURANCE COMMISSIONER	
Declaration of a state of emergency by governor, commissioner granted authority to issue an order addressing claims and related matters	335
Self-service storage specialty producers, licensing requirements for producers who wish to sell insurance to occupants	119
INTERNET	
Digital forensic crime lab, work group to evaluate need	27
High-speed internet work group to be renamed the advisory council on digital inclusion	509
High-speed internet, department of information services authority for overseeing broadband adoption and deployment efforts on behalf of the state	509
Higher education technology transformation task force to be convened by higher education coordinating board	407
Online learning, development, approval, implementation, and administration of alternative learning experience online courses and programs for students	542
Student college information web-based access portal, work group	23
Tobacco products, sale by mail order or internet	278
University of Washington health sciences library, online access to by certain health care providers	558
IRRIGATION	
Districts, administration	145
JAILS	
Developmental disabilities, identifying and accommodating offenders with	447
Medication management in jails, conditions for the provision of	411
Medication management in jails, jail medication management work group to develop a model policy	411
Release dates for offenders, department approval of jail certification from a correctional agency calculating earned release time	399
JOINT OPERATING AGENCIES	
Checks, policies and procedures for issuance as payment of claims or other obligations	173
JUDGES	
District court, increase in number of judges for Benton county	86
JUDGMENTS	
Uniform foreign-country money judgments recognition act	363
JURIES	
Declarations, electronic juror signatures	330
JUVENILE COURT AND JUVENILE OFFENDERS	
Case records, center for court research and office of public defense access	440
Dependency proceedings, guardian ad litem background information records and procedures for appointment	480
Dependency proceedings, housing assistance for the child	397
Dependency proceedings, notice of custody and process for out-of-home care placement to encourage parental engagement in overall process	477
Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Dependency proceedings, parenting plans and residential schedules	526
Foster care citizen review boards, elimination of	152

SUBJECT INDEX OF 2009 STATUTES

JUVENILE COURT AND JUVENILE OFFENDERS - con't.	Chapter
Foster care placement, placement of child with a relative or other suitable person	491
Gambling when underage, juvenile court jurisdiction	357
Guardians ad litem, background information records and procedures for appointment	480
Newborn children, appropriate locations for transfer	290
Records of vacated deferred dispositions to be sealed no later than thirty days after juvenile's eighteenth birthday if no charges are pending	236
Registration, state patrol annual notification of juvenile sex or kidnapping offenders of ability to petition for relief from registration	210
Sentencing provisions, standard ranges including community supervision, electronic monitoring, and commitment to the juvenile rehabilitation administration	454
Sexually exploited juveniles, diversion of juvenile offenders authorized in certain circumstances	252
LABOR	
Apprentices, labor hour requirements for public works projects by four-year higher education institutions	197
Family leave insurance program, delaying implementation	544
Foreign workers, disclosure statement from employers and international labor recruitment agencies to be given to	492
Prevailing wage, definition of independent contractor	63
Service animal training, attendance by state agency employees with sensory disabilities	294
Workers' compensation violations, department of labor and industries authority to issue stop work orders	196
LABOR AND INDUSTRIES, DEPARTMENT	
Boiler and unfired pressure vessel statutes, technical changes	90
Construction trade worker licenses, certificates, and permits	36
Contractors in the construction industry, identification and records requirements	432
Explosives licenses, expiration dates	39
Industrial insurance appeals, restrictions on contact with medical providers after filing	391
Joint legislative task force on the underground economy, establishment and duties	432
Prevailing wage, definition of independent contractor	63
Single-occupancy farm conveyances, definition and use	128
Violations of certain workers' compensation provisions, department authority to issue stop work orders	196
Wheelchair and stairway chair lifts, definitions and use	128
LAKES AND RESERVOIRS	
Lake Whatcom, demonstration project to reduce phosphorus loading in	48
LAND USE PLANNING AND DEVELOPMENT	
Marine container ports, land use and transportation planning for	514
Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97
LANDLORD AND TENANT	
Carbon monoxide alarms, building code council to require installation in certain residential occupancies	313
Nontransient tenants of places of transient lodging, relocation assistance rights when lodging shut down by government action	165
Tenants who are victims of sexual assault, unlawful harassment, or stalking by a landlord, legal protections	395
LANDSCAPING	
Landscape architects, licensing	370

SUBJECT INDEX OF 2009 STATUTES

Chapter

LAW ENFORCEMENT AND LAW ENFORCEMENT OFFICERS (See also POLICE; SHERIFFS; STATE PATROL)

Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Driver's license photographs, law enforcement access for identity verification	366
Hearings, certification actions of peace officers	25
Medication management in jails, jail medication management work group to develop a model policy	411
Psychological examinations for peace officer certification	139
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364
Sex offenders, electronic statewide unified sex offender notification and registration program	31
Unlawful public transit conduct, law enforcement authority	279

LAW ENFORCEMENT OFFICERS' AND FIRE FIGHTERS' RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Domestic partners, pension benefits	523
Fish and wildlife enforcement officers allowed to transfer service credit from PERS to LEOFF plan 2	157
Interruptive military service credit	205
Plan 2, minimum retirement allowance to members disabled in line of duty before January 1, 2001	95
Survivor benefits, employees who die while honorably serving in the national guard or military reserves during a period of war	226
Transfer of service credit from PERS to LEOFF plan 2, allowed for fish and wildlife enforcement officers	157

LEAD

Wheel weights, environmentally preferred alternatives	243
---	-----

LEGISLATIVE AUDIT AND REVIEW COMMITTEE, JOINT

City-county assistance account, recommendations for handling distribution of moneys	127
---	-----

LEGISLATURE

Advanced diagnostic imaging services, work group appointed by legislative leaders to identify best practice guidelines	258
Legislative youth advisory council, solicitation of grants and donations using existing staff and resources	410
WASL legislative work group, recommendations concerning statewide assessments and curricula	310

LIBRARIES AND LIBRARY DISTRICTS

Annexation of a city or town by a library district, requirements	40
Rural county library districts, initial levy rates	306

LICENSING, DEPARTMENT

"Conviction" defined for purposes of the uniform commercial driver's license act	181
Boxing, martial arts, and wrestling events, payment by department of certain event and license fees into business and professions account	429
Child support, license suspension program for failure to pay	408
Commercial drivers, "conviction" defined for purposes of the uniform commercial driver's license act	181
Criminal history record checks of employees issuing enhanced drivers' licenses and recordcards	169
Drivers, relicensing diversion program	490
Farm vehicle trip permit, extending time period covered by	452

SUBJECT INDEX OF 2009 STATUTES

LICENSING, DEPARTMENT - con't.

Chapter

Human remains, electronic approval of vital records by medical examiner, funeral director, and others	231
Kit vehicles, title and registration requirements	284
Landscape architects, licensing	370
Motor vehicle registration for United States armed forces members, determining registration year for deployed military personnel	159
State parks system donation, collection by department as part of vehicle registration	512
Tattooing, body art, body piercing, comprehensive regulations	412

LIQUOR CONTROL BOARD

Alcoholic beverage regulation, licensing and licensee provisions	373
Cigarettes and tobacco products, liquor control board licensing administration authority	154
Liquor license fees, increases for various establishments	507
Spirits, beer, and wine nightclub license created	271

LIVESTOCK

Anaerobic digesters for processing livestock manure and organic waste-derived material, requirements for exemption from solid waste handling permitting	178
Cruelty to animals, violations and penalties	287
Live nonambulatory livestock, violations and penalties for knowingly transporting or accepting delivery of in certain situations	347
Manure, requirements for anaerobic digesters for processing	178
Nutrient management equipment and facilities, sales and use tax exemption	469

LOANS

Check cashers and sellers, fee and installment plan assistance for borrowers at risk of default on small loans	510
Check cashers and sellers, restrictions on communications when collecting delinquent loans	13
Consumer loan act, exemption from requirements for nonprofit housing organizations and for loans and persons making loans in certain cases	311
Consumer loan companies, compliance with the secure and fair enforcement for mortgage licensing act of 2008	120
Nonprofit housing organizations, exemption from consumer loan act	311
Repayment period, expanded for conservation project loans from municipal utilities and public utility districts	416
Reverse mortgage act	149
Small loans, fee and installment plan assistance for borrowers at risk of default	510
Small loans, restrictions on check cashers' and sellers' communications when collecting delinquent loans	13

LOCAL GOVERNMENT

Claims for damages against local governmental entities, procedures and claim forms	433
Community revitalization financing, use of general obligation bonds and tax allocation revenues for public improvements	270
Electric vehicles, local government role in infrastructure development and transition from combustion to electric vehicles	459
Local improvement districts, railroad crossing protection device financing	435
Local infrastructure financing tool, provisions	267
Local sales and use tax, crediting against state sales and use tax extended	550
Moratoria and interim official controls, local government authority to adopt under shoreline management act	444
Nonprofit corporations, creation and registration with governmental body or agency as registered agent	202
Partnerships, creation and registration with governmental body or agency as registered agent	202
Projects of statewide significance, qualifications and procedures for designation	421
Public facilities districts, formation, operation, and nonstate funding	533
Public works projects, payment of undisputed claims	193
Public works, local assistance funds	45

SUBJECT INDEX OF 2009 STATUTES

LOCAL GOVERNMENT - con't.

Chapter

Rail freight service, funding through grants from essential rail assistance account	160
Railroad crossing protection devices, local improvement district financing	435
Shoreline location shifts, regulatory relief for property owners when shift is due to habitat restoration projects	405
Shoreline management act, local government authority to adopt moratoria and interim official controls.	444
Solar energy, community solar projects incentives.	469
Watershed management partnerships, eminent domain authority granted	504
Watershed management partnerships, exercise of eminent domain authority in the case of the Lake Tapps water supply	504

LOCAL IMPROVEMENT DISTRICTS (See CITIES AND TOWNS; LOCAL GOVERNMENT)

LONG-TERM CARE

Home care, modifying state payments to agencies by prohibiting payment for in-home care in certain cases	571
Initiative 1029, better background checks and improved training for long- term care workers for the elderly and persons with disabilities initiative of 2008	2
Medicaid acceptance policy, facility disclosure to residents	489
Training and background checks for long-term care workers, changes to provisions.	580
Workers, peer mentoring implementation date delay	478

LOTTERY

Multistate shared games, state lottery authority to enter into agreement to conduct Powerball	576
--	-----

LOW-INCOME PERSONS

Electric and gas utility rates, discounts for low-income and low-income senior customers.	32
Health care, basic health plan program changes necessary to implement 2009-2011 operating budget	568
Health care, community health care collaborative grant program established	299
Housing development for low-income persons, affordable housing incentive programs.	80
Legal services provided by nonprofit organizations, business and occupation tax exemption.	508
Senior citizen housing, exemptions.	483
Weatherization programs for low-income persons, expansion.	379
WorkFirst temporary assistance for needy families, encouraging parents to pursue available educational and training opportunities	85

MANUFACTURED HOUSING (See also MOBILE HOMES)

Property tax, administration and tax payment verification	350
Recreational vehicles, serving as primary residences in manufactured and mobile home communities.	79

MANUFACTURING

Resale certificates, improper use of and replacement with seller's permits issued by department of revenue	563
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications.	469

MEDICARE

Washington state health insurance pool, eligibility for.	555
--	-----

MEDICINE AND MEDICAL DEVICES

Veterinary prescription drugs, technician performance of certain drug preparation functions when delegated by licensed veterinarian	136
--	-----

SUBJECT INDEX OF 2009 STATUTES

Chapter

MENTAL HEALTH (See also COUNSELORS AND COUNSELING; SEX OFFENSES AND OFFENDERS)

Advanced registered nurse practitioners, mental health care involving commitment	217
Children's services, access to care standards	388
Commitment proceedings, sexually violent predators	409
Community integration assistance program	319
Conditional release from commitment to outpatient treatment, venue for hearing to modify or revoke order for	322
Counseling for sex offense victim whose crime occurred in another state and who testifies in civil commitment proceedings	38
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel.	19
Disclosure of information concerning mental health services received by persons who have been committed	320
Firearms possession by an involuntarily committed person, provisions.	293
Health care information, sharing to promote coordination of behavioral and medical care services	398
Less restrictive treatment, renewal of orders for persons released from involuntary mental health treatment	323
Local sales and use tax for chemical dependency services, mental health treatment, and therapeutic courts	551
Privilege, provisions for licensed mental health practitioners	424
Sexually violent predators, commitment proceedings	409
Special commitment center, security information disclosure exemption	67

MILITARY (See also NATIONAL GUARD; VETERANS)

Alternative route teacher certification program for veterans and national guard members	192
Armories, rental or lease	34
Children of military families, interstate compact on educational opportunity	380
Code of military justice, provisions	378
Concealed pistol license, renewal by armed forces members	59
Hunting license requirements, members of military	269
Interstate commission on educational opportunity for military children	380
Militia, adjutant general's duties	21
Motor vehicle registration for United States armed forces members, determining registration year for deployed military personnel	159
Parenting plans, modification due to parent's military service	502
Retirement systems, interruptive military service credit	205
Survivor benefits, employees who die while honorably serving in the national guard or military reserves during a period of war	226

MINORITY AND WOMEN'S BUSINESS ENTERPRISES

Linked deposit program for minority and women's business enterprises, setting interest rates of time certificate of deposits for	385
Office of minority and women's business enterprises, requirement and schedule for submission of data by state agencies and educational institutions to	348

MOBILE HOMES (See also MANUFACTURED HOUSING)

Property tax, administration and tax payment verification	350
Recreational vehicles, serving as primary residences in manufactured and mobile home communities	79
Titling functions transferred to department of community, trade, and economic development, section repealed	233

MORTGAGES AND MORTGAGE BROKERS

Brokers, compliance with secure and fair enforcement for mortgage licensing act of 2008	528
Consumer loan companies, compliance with the secure and fair enforcement for mortgage licensing act of 2008	120
Foreclosure sales, applying surplus proceeds to all interests or liens	122

SUBJECT INDEX OF 2009 STATUTES

MORTGAGES AND MORTGAGE BROKERS - con't.

Chapter

Reverse mortgage act	149
----------------------------	-----

MOTION PICTURES

Motion picture competitiveness programs, maximum funding assistance increase	100
--	-----

MOTOR VEHICLES

Agribusiness drivers, exemption from certain commercial driver's license requirements	339
Airline operator rate of return when funding consolidated car rental facilities and common use transportation equipment and facilities	124
Dealer documentary service fees, disclosure that fee is negotiable required	123
Dealers and manufacturers, termination, cancellation, or nonrenewal of franchises between	12
Driving record abstracts, release to current or prospective employer or volunteer organization for employment purposes related to driving	276
Electric vehicles, infrastructure development and transition from combustion to electric vehicles	459
Farm vehicle trip permit, extending time period covered by	452
Hybrid technology vehicles, sales tax exemption	469
Kit vehicles, title and registration requirements	284
Lead wheel weights, environmentally preferred alternatives	243
Liability for damage to state property of person operating vehicle illegally	393
Motor carriers, safety requirements and compliance reviews	46
Motorsports vehicles, cancellation of order by dealer	517
Motorsports, termination or cancellation of manufacturer and dealer franchise agreements	232
Public transit vehicles, stops at unmarked stop zones allowed in certain circumstances	274
Rate and service regulation of certain passenger carrying services, utilities and transportation commission authority to forebear from	557
Recording devices in vehicles, vehicle systems data privacy and disclosure provisions	485
Recreational vehicles, serving as primary residences in manufactured and mobile home communities	79
Refrigerants in air conditioning equipment, use of safe alternative refrigerant authorized	256
Registration for United States armed forces members, determining registration year for deployed military personnel	159
Registration, state parks system donation to be collected by department of licensing as part of	512
Rental car companies, clarifying charges and fees in rental car agreements	346
Sales, dealer disclosure of damage and repair to new or previously unregistered vehicle	49
State parks system donation, collection by department of licensing as part of vehicle registration	512
Tire replacement fees, extending	261
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272
Two-wheeled and three-wheeled vehicles, definitions and requirements	275
Warranties, provisions	351
Waste tire piles, efforts to clean up and prevent the creation of in the future	261
Windows, provisions for safety glazing, sunscreening devices, and items placed on windows	142

MOTORCYCLES

Two-wheeled and three-wheeled vehicles, definitions and requirements	275
--	-----

MUSIC

Advertising, truth in music advertising act	109
Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58

SUBJECT INDEX OF 2009 STATUTES

	Chapter
NATIONAL GUARD	
Adjutant general of militia, duties	21
Alternative route teacher certification program for veterans and national guard members	192
Concealed pistol license, renewal by armed forces members	59
Survivor benefits, employees who die while honorably serving in the national guard or military reserves during a period of war	226
Tuition waivers, stepchildren to be included as eligible children of veterans and national guard members	316
NATURAL RESOURCES, DEPARTMENT	
Biomass energy, department to develop and implement forest biomass energy demonstration projects	163
State trust lands, contract harvesting	418
NEWS MEDIA	
Newspaper industry, decreasing business and occupation tax burden for	461
NONPROFIT CORPORATIONS	
Creation and registration, governmental body or agency as registered agent	202
Qualified nonprofit applicants and procedures for funding from accounts associated with wildlife and recreation program	341
Raffles, city or town authority to conduct as bona fide nonprofit organization	137
Uniform prudent management of institutional funds act	436
NONPROFIT ORGANIZATIONS	
Consumer loan act, exemption from requirements for nonprofit housing organizations and for loans and persons making loans in certain cases	311
Legal services for low-income individuals, business and occupation tax exemption	508
Nonprofit housing organizations, exemption from consumer loan act	311
Raffles, increasing ticket prices	133
NUCLEAR POWER AND NUCLEAR SITES	
Hanford nuclear site, applicability of radioactive waste clean-up business and occupation tax classification to kinds of work performed at	469
Uniformed personnel, alternative arbitration process for joint operating agency employees at a commercial nuclear power plant	126
NURSES	
Advanced registered nurse practitioners, mental health care involving commitment	217
Nurses and paramedics, community and technical colleges board to create interdisciplinary work group to consider articulation between nursing and paramedic programs	168
Registered nurses, delegation of authority for various tasks to nurse by optometrist	203
NURSING HOMES	
Nursing facility medicaid payment system, clarifying legislative intent regarding statewide weighted average and other factors	570
OCCUPATIONAL THERAPISTS (See HEALTH CARE PROFESSIONS)	
OFFICIAL STATE DESIGNATION	
Olympic marmot, official state endemic mammal	464
OIL AND GAS (See FUELS; GAS COMPANIES)	
OPEN PUBLIC MEETINGS	
Rule-making hearings public access, opportunity for all interested attendees to comment individually and orally	336

SUBJECT INDEX OF 2009 STATUTES

Chapter

OUTDOOR RECREATION

Habitat conservation account and riparian protection account provisions, references to mitigation banking projects removed	16
Motorsports vehicles, cancellation of order by dealer	517
Wildlife and recreation program, qualified applicants and procedures for funding from accounts	341

PARENTS AND PARENTING

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Dependency proceedings, guardian ad litem background information records and procedures for appointment	480
Dependency proceedings, housing assistance for the child	397
Dependency proceedings, notice of custody and process for out-of-home care placement to encourage parental engagement in overall process.	477
Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Dependency proceedings, parenting plans and residential schedules	526
Foster care placement, placement of child with a relative or other suitable person	491
Guardians ad litem, background information records and procedures for appointment	480
Medical support obligations as part of child support order, provisions	476
Newborn children, appropriate locations for transfer	290
Parenting plans, modification due to parent's military service.	502
WorkFirst temporary assistance for needy families, encouraging parents to pursue available educational and training opportunities	85

PARKING

Public parking facilities, sale, lease, or conveyance of municipal property in commercial areas	265
---	-----

PARKS

Public community athletics programs and facilities connected with metropolitan park districts and park and recreation districts and service areas, discrimination on the basis of sex prohibited	467
State parks system donation, collection by department of licensing as part of vehicle registration	512

PARTNERSHIPS

Foreign limited liability partnerships, designated office or agent requirements.	437
Lake Tapps water supply, exercise of eminent domain authority by watershed management partnership.	504
Limited liability companies, creation and registration with governmental body or agency as registered agent	202
Limited liability companies, dissolution and reinstatement deadlines extended	437
Limited liability partnerships, application for partnership and requirements for designated office or agent	437
Limited liability partnerships, creation and registration with governmental body or agency as registered agent	202
Limited partnerships, creation and registration with governmental body or agency as registered agent	202
Uniform limited partnership act, creation of.	188
Watershed management partnerships, eminent domain authority granted	504
Watershed management partnerships, exercise of eminent domain authority in the case of the Lake Tapps water supply	504

PERSONAL PROPERTY

Crimes against property, threshold values	431
Retail crime task force	431
Vehicles used in cases of prostitution-related offenses, impoundment	387

SUBJECT INDEX OF 2009 STATUTES

Chapter

PERSONNEL, DEPARTMENT

Exempt employment, practices regarding	534
Service animal training, attendance by state agency employees with sensory disabilities	294

PESTICIDES

Pesticide poisoning and exposure, department of health flexibility in investigation of	495
--	-----

PHARMACIES AND PHARMACISTS

Initiative 1000, death with dignity act	1
Prescription pads, tamper-resistant	328
Prescriptions, limited restrictions on an endorsing practitioner's authority to write a prescription to dispense only as written through state purchased health care plans	575

PHYSICIANS (See HEALTH CARE PROFESSIONS)

PILOTAGE COMMISSIONERS, BOARD

Puget Sound pilotage district tariff to include a charge to reimburse for pilot retirement plans	496
--	-----

PLUMBERS

Licenses, certificates, or permits to be in possession while working	36
--	----

POLICE

Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Medication management in jails, jail medication management work group to develop a model policy	411
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364

PORT DISTRICTS

Rail freight service, funding through grants from essential rail assistance account	160
---	-----

POULTRY (See AGRICULTURE)

PREGNANCY

Unintended, sexual health education funding for programs to help prevent	303
--	-----

PRISONS AND PRISONERS

Developmental disabilities, identifying and accommodating offenders with	447
Public records, inmate access	10

PRIVACY

Birth certificates, disclosure of confidential information	44
Identification devices, limits on scanning	66

PROFESSIONAL EDUCATOR STANDARDS BOARD

Duties and membership, provisions	531
Student achievement gap, board to identify cultural competency model standards and provide partnership grant program assistance to school districts	468

PSYCHOLOGISTS

Human trafficking course, all licensed psychologists required to take	492
---	-----

PUBLIC ASSISTANCE

Adoption support program, prospective adoptive parent to receive information describing limits of	491
---	-----

SUBJECT INDEX OF 2009 STATUTES

PUBLIC ASSISTANCE - con't.

Chapter

Apple health for kids act, department of social and health services to manage program in cooperation with state and local agencies	463
Applications for assistance from persons currently ineligible to receive assistance	198
Child support, license suspension program for failure to pay	408
Child support, review of support payments by secretary of department of social and health services	527
Child welfare services, crisis residential center provisions and appropriations	569
Child welfare system, enhancing safety and well-being of children through performance-based contracts with supervising agencies	520
Child welfare system, reducing racial disproportionality in system and racial disparities in outcomes	520
Child welfare transformation design committee, establishment	520
Children's mental health services, access to care standards	388
Correctional facilities and jails, providing assistance for persons with developmental disabilities after their release	447
Crisis residential centers for children, provisions and appropriations	569
Disproportionate share hospital adjustments, appropriations of funds for	538
Electronic applications and signatures as part of benefit application process	201
Family planning waiver program, department of social and health services to submit applications for	545
Federal fostering connections to success and increasing adoptions act of 2008, implementation	235
Foster family homes, placement of child returning to out-of-home care	482
Home care, modifying state payments to agencies by prohibiting payment for in-home care in certain cases	571
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008	2
Long-term care worker training and background checks, changes to provisions	580
Medicaid acceptance policy, long-term care facility disclosure to residents	489
Medicaid, nursing facility payment system clarifications	570
Medical assistance program, department of social and health services to submit waiver request to expand and revise	545
Medical support obligations as part of child support order, provisions	476
Mental health services for children, access to care standards	388
Nursing facility medicaid payment system, clarifying legislative intent regarding statewide weighted average and other factors	570
Persons with developmental disabilities serving time in correctional facilities and jails, providing assistance after their release	447
Sexually aggressive youth, treatment eligibility and funding	250
Telemedicine, delivery of medical assistance program home health care services through	326
WorkFirst temporary assistance for needy families, encouraging parents to pursue available educational and training opportunities	85

PUBLIC DEFENSE, OFFICE

Juvenile case records, center for court research and office of public defense access	440
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PUBLIC DISCLOSURE (See also CAMPAIGNS)

Home schooling, annual parental declaration of intent to be exempt from public disclosure	191
University of Washington consolidated endowment fund, disclosure of private investment information related to	394

PUBLIC EMPLOYEES' BENEFITS BOARD

Employee eligibility for benefits	537
---	-----

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Fish and wildlife enforcement officers allowed to transfer service credit from PERS to LEOFF plan 2	157
Interruptive military service credit	205

SUBJECT INDEX OF 2009 STATUTES

PUBLIC EMPLOYEES' RETIREMENT SYSTEM - con't.

Chapter

Survivor annuity option for preretirement death, extending to PERS members who die after leaving active service	111
Transfer from PERS plan 2 to SERS plan 2, required for members employed by school districts and educational service districts	209
Transfer of service credit from PERS to LEOFF plan 2, allowed for fish and wildlife enforcement officers	157

PUBLIC FACILITIES DISTRICTS

Board of directors, authority for promotional activities	167
Formation, operation, and nonstate funding	533

PUBLIC FUNDS AND ACCOUNTS

Administrative contingency fund, high-demand occupation training program funds for certain unemployed persons to come from separate account within	566
American Indian endowed scholarship program, matching fund requirement eliminated	259
Annual property revaluation grant account	308
Biotoxin account	577
Broadband mapping account	509
Business and professions account, payment of certain boxing, martial arts, and wrestling event and license fees into	429
Business assistance account	486
City-county assistance account, changes in distribution of moneys	127
Colleges and universities, use of funds from building or capital projects accounts for certificates of participation authorized	499
Columbia river recreational salmon and steelhead pilot stamp program account	420
Energy recovery act account	451
Equal justice subaccount, funds transferred into state general fund	479
Essential rail assistance account, funding rail freight service through grants	160
Evergreen jobs training account	536
Financial education public-private partnership account	443
Fish and wildlife equipment revolving account	368
Fruit and vegetable district fund, district two manager authorized to transfer funds to plant pest account	208
Funeral and cemetery account	102
General fund, improving budget transparency by consolidating various accounts into	479
Guaranteed asset protection waiver account	334
Health services account, funds transferred into state general fund	479
Judicial stabilization trust account	572
Landscape architects' license account	370
OASI revolving fund, expenditures from fund for costs of program administration authorized	171
Park land trust revolving fund, use of real property proceeds for purchase of replacement forest land	354
Prevent or reduce owner-occupied foreclosure program account	386
Public deposit protection commission, modernization and clarification of powers in regard to banks and savings associations as public depositories	9
Public safety and education account, funds transferred to state general fund	479
Real estate and property tax administration assistance account	308
Specialized forest products outreach and education account	245
State portfolio manager master account	423
State route 520 corridor account, general obligation bond proceeds to be deposited in	498
State route number 520 corridor account	472
Student achievement fund appropriations, transfer by superintendent of public instruction	547
Student achievement fund, funds transferred into state general fund	479
Student achievement fund, omnibus operating appropriations act to specify allocation rates for	541
Tacoma Narrows toll bridge account, toll charges, other revenue, and interest to be used only for tolled facility	567
Toll facility bond retirement account	498

SUBJECT INDEX OF 2009 STATUTES

PUBLIC FUNDS AND ACCOUNTS - con't.

Chapter

University of Washington bond retirement fund	499
Violence reduction and drug enforcement account, funds transferred into state general fund	479
Washington bred owners' bonus fund and breeder awards account	87
Washington state flag account	71
Washington State University bond retirement fund	499
Water quality account, funds transferred into state general fund	479

PUBLIC HEALTH AND SAFETY

Anaerobic digesters for processing livestock manure and organic waste-derived material, requirements for exemption from solid waste handling permitting	178
Basic health plan program changes necessary to implement 2009-2011 operating budget	568
Carbon monoxide alarms, building code council to require installation in certain residential occupancies	313
Initiative 1000, death with dignity act.	1
Initiative 1029, better background checks and improved training for long- term care workers for the elderly and persons with disabilities initiative of 2008	2
Lead wheel weights, environmentally preferred alternatives	243
Long-term care worker training and background checks, changes to provisions	580
Methicillin-resistant staphylococcus aureus	244
Novelty lighters, prohibition of sale and distribution	273
Pesticide poisoning and exposure, department of health flexibility in investigation of	495
Public hospital capital facility areas, establishment as quasi-municipal corporations and independent taxing units within counties	481
Public water systems, chlorine residual measurement requirements for certain group A water systems	367
Public water systems, operator certification and responsibilities	221
Railroad crossing protection devices, local improvement district financing	435
Reclaimed water use, permitting requirements and violations and penalties	456
Restroom access in retail stores for persons with certain medical conditions	438
Secure exchange of health information, health care authority to designate lead organization(s) to coordinate development of system for	300
Sexually transmitted diseases, sexual health education funding for programs to help prevent	303
Shellfish, biotoxin testing and monitoring surcharge	577
Single-occupancy farm conveyances, definition and use	128
Solid fuel burning devices, restrictions	282
Solid waste handling, requirements for anaerobic digesters for processing livestock manure	178
Tattooing, body art, body piercing, comprehensive regulations	412
Unintended pregnancy, sexual health education funding for programs to help prevent	303
Wheelchair and stairway chair lifts, definitions and use.	128

PUBLIC INSTRUCTION, SUPERINTENDENT

Annual school district compliance reports, superintendent to review	317
Assessments and curricula, implementing recommendations of WASL legislative work group	310
Basic education, redefinition, funding, and accountability.	548
Capital projects funds, accounting guidelines for use by school districts to be developed by superintendent.	460
Classified staff training, development and offering to be subject to availability of appropriations	539
Common school provisions, various sections suspended or amended to provide flexibility in the educational system.	556
Construction, school construction assistance appropriations	6
Diagnostic assessments, school district access to assessments to be subject to availability of appropriations.	539
Dual credit opportunities, high school-college collaborations as part of college in the high school program to make possible.	450

SUBJECT INDEX OF 2009 STATUTES

PUBLIC INSTRUCTION, SUPERINTENDENT - con't.

Chapter

Dyslexia, development of dyslexia handbook and educator training program to enhance skills of students with	546
Elementary and secondary programs, implementation of certain programs to be subject to availability of funds	578
Elementary school recess periods, survey of Washington elementary schools	182
Financial education public-private partnership	443
Financial education, standards and requirements	443
Homeless students, superintendent to establish process to track expenditures for transporting	515
Impact fees for school facilities, superintendent to develop criteria for extension of time limit for use	263
Online learning, development, approval, implementation, and administration of alternative learning experience online courses and programs	542
Online learning, superintendent to create office of	542
Running start program, provisions	450
Savings in education programs, revision of various provisions in order to achieve	539
School district employees, superintendent to adopt disciplinary guidelines for the use of public resources for personal benefit	224
School plant funding, renaming components of appropriations allotment formula	129
Secondary and elementary programs, implementation of certain programs to be subject to availability of funds	578
Student achievement fund appropriations, transfer by superintendent	547
Student achievement gap, superintendent to identify districts to receive workforce cultural competency skills assistance	468
Teachers, professional development programs and national board certification bonuses to be subject to availability of appropriations	539
Teachers, teacher assistance program to be subject to availability of appropriations	539
WASL legislative work group, implementation of recommendations concerning statewide assessments and curricula	310

PUBLIC LANDS

Christmas trees, harvesting	245
Christmas trees, removing from or injuring on public or private land	349
Contract harvesting on state trust lands	418
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Highway construction review and site selection process, prioritizing use of public land	471
Huckleberries, regulations	245
Land preservation, recreation and conservation office to evaluate and report on mechanisms for	341
Mt. St. Helen's eruption, disposal of dredged riverbed materials from	426
Specialized forest products, permitting process and theft protections	245
State trust lands, contract harvesting	418
Wildlife and recreation program, qualified applicants and procedures for funding from accounts	341

PUBLIC OFFICERS AND EMPLOYEES

Candidates for public office, false statements about constituting libel or defamation	222
Public employees' benefits board, employee eligibility for benefits	537
Reducing state administrative costs through 12-month salary and wage freeze and reduction in expenditures and services agreements	5
Salary schedule for state elected officials effective September 1, 2009	581
Service animal training, attendance by state agency employees with sensory disabilities	294
State schools for blind and deaf, transfers of accumulated leave of employees	47

PUBLIC SAFETY EMPLOYEES' RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Interruptive military service credit	205

SUBJECT INDEX OF 2009 STATUTES

Chapter

PUBLIC TRANSIT

High capacity transportation corridor areas, establishment and funding	280
Property tax, public transit levy rates	551
Stops at unmarked stop zones, allowed in certain circumstances	274
Unlawful transit conduct, violations and penalties	279

PUBLIC UTILITY DISTRICTS

Checks, policies and procedures for issuance as payment of claims or other obligations	173
Conservation project loans from public utility districts, repayment period expanded	416
Electricity generation facilities using biomass fuels, authority of county to construct or purchase if county contains a public utility district meeting certain conditions	281

PUBLIC WATER SUPPLY SYSTEMS

Chlorine residual measurement requirements for certain group A water systems	367
Group B public water systems, waiver of some requirements by state board of health for systems with fewer than five connections	495
Operators, certification and responsibilities	221
Water facility construction, contract requirements	344

PUBLIC WORKS

Alternative contracting procedures	75
Assistance funds, local	45
Colleges and universities, use of funds from building or capital projects accounts for certificates of participation authorized	499
Contracts, bid limits	229
Prevailing wage, definition of independent contractor	63
Project bids, requirement that bidder is not out of compliance with apprenticeship rules	197
Projects by four-year higher education institutions, requirements for labor hours to be performed by apprentices	197
Projects, payment of undisputed claims	193
Projects, retainage of funds	219
Public facilities in rural counties, time period during which sales and use tax may be collected for	511
Residential construction, public works meeting definition of	62
Small works roster projects, dollar limit	74

PUGET SOUND

Scientific research, Puget Sound science panel and scientific research account provisions	99
---	----

RAILROADS

Crossing protection devices, local improvement district financing	435
Heavy rail short lines, expending existing city and county real estate excise taxes on municipally owned rail lines	211
Milwaukee Road corridor, extending the time period for the department of transportation to enter into a franchise agreement for a rail line	338
Rail freight service, funding through grants from essential rail assistance account	160

REAL ESTATE AND REAL PROPERTY

Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58
Carbon monoxide alarms, building code council to require installation in certain residential occupancies	313
Condominium associations, exemption from reserve account and study requirements for smaller associations	307
Construction trade worker licenses, certificates, or permits to be in possession while working	36

SUBJECT INDEX OF 2009 STATUTES

REAL ESTATE AND REAL PROPERTY - con't.

Chapter

Consumer loan companies, compliance with the secure and fair enforcement for mortgage licensing act of 2008	120
Crimes against property, threshold values	431
Deeds of trust, foreclosure	292
Distressed property conveyances, equity skimming	15
Energy efficiency and renewable energy improvements for property owners, financing through sustainable energy trust program	65
Flooding, insurer disclosure that policy does not cover flood damage	14
Foreclosure sales, applying surplus proceeds to all interests or liens	122
Forested land, act of owning defined as forest practice	200
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
High technology sales and use tax deferral, clarifying eligibility of multiple qualified buildings	268
Homeowners' associations, real estate disclosure requirements regarding	130
Housing development for low-income persons, affordable housing incentive programs	80
Outdoor burning provisions of Washington clean air act, clarifications	118
Prevent or reduce owner-occupied foreclosure program	386
Property tax, administration of	350
Public parking facilities, sale, lease, or conveyance of municipal property in commercial areas	265
Real estate and property tax administration assistance account, creation	308
Resale certificates, improper use of and replacement with seller's permits issued by department of revenue	563
Retail crime task force	431
Revaluation of property by counties for property tax purposes, annual	308
Sales tax compliance, improving	563
Seller's disclosure, various requirements	505
Shoreline location shifts, regulatory relief for property owners when shift is due to habitat restoration projects	405
Solar energy panels, regulating use by homeowners' association members	51
Strategic plan for enhancing energy efficiency and reducing greenhouse gas emissions in the built environment	423
Water or sewer facility construction, municipal participation in funding and reimbursement amounts	230
Weatherization programs for low-income persons, expansion	379

RECORDS

Birth certificates, disclosure of confidential information	44
Health professional licensing information, office of financial management access to	343
Hours of availability of state agency records for inspection and copying, mandatory minimum	428
Juvenile case records, center for court research and office of public defense access	440
Public records, access to by correctional facility inmates	10
Public records, special commitment center security information disclosure exemption	67
University of Washington consolidated endowment fund, disclosure of private investment information related to	394

RECREATION AND CONSERVATION OFFICE

Land preservation, office to evaluate and report on mechanisms for	341
Recreation and conservation funding board, overseeing funding from accounts associated with wildlife and recreation program	341
Salmon recovery, consolidation of certain activities and programs within the office	345

RECREATIONAL VEHICLES

Manufactured and mobile home communities, recreational vehicles serving as primary residences	79
Motorsports vehicles, cancellation of order by dealer	517

SUBJECT INDEX OF 2009 STATUTES

Chapter

RECYCLING

Paper, state agency paper conservation program to use one hundred percent recycled content paper	356
--	-----

RESTAURANTS

Liquor license fees, increases	507
--------------------------------------	-----

RETIREMENT AND PENSIONS

Actuarial funding of state retirement systems	561
Firefighters, survivor benefits	156
Fish and wildlife enforcement officers allowed to transfer service credit from PERS to LEOFF plan 2	157
LEOFF plan 2, minimum retirement allowance to members disabled in line of duty before January 1, 2001	95
Mailings to certain state retirement systems' members, department of retirement systems to provide assistance	30
PERS, calculation of average final compensation for plan 1, 2, and 3 members during 2009-2011 fiscal biennium	430
Retirement system, obsolete statutes repealed	110
Retirement systems, interruptive military service credit	205
State retirement systems, actuarial funding of	561
Survivor benefits, employees who die while honorably serving in the national guard or military reserves during a period of war	226
Transfer from PERS plan 2 to SERS plan 2, required for members employed by school districts and educational service districts	209
Transfer of service credit from PERS to LEOFF plan 2, allowed for fish and wildlife enforcement officers	157
WSPRS, benefits for domestic partners	522

RETIREMENT SYSTEMS, DEPARTMENT (See also RETIREMENT AND PENSIONS)

Interruptive military service credit	205
Mailings to certain state retirement systems' members, department to provide assistance	30
Obsolete statutes repealed	110
PERS, calculation by department of average final compensation for plan 1, 2, and 3 members during 2009-2011 fiscal biennium	430

REVENUE, DEPARTMENT

Annual property revaluation grant program for counties	308
City-county assistance account, department to certify amounts to be distributed	127
Electronic methods for filing, payment, and assessment of taxes administered by department	176
Pilot project on one or more counties, department to conduct in order to examine move from cyclical to annual revaluation of property	308
Resale certificates, improper use of and replacement with seller's permits issued by department	563
Sales tax compliance, improving	563
Tax collection, enhancing department's tools for collection in order to promote fairness and efficiency	309, 562

REVISED CODE OF WASHINGTON

Certified mail with a return receipt requested, use of term in RCW	251
Editorial standards for publication, revision	186
Gender-based terms, technical corrections	549
Respectful language in state laws, code reviser directed to replace "mental retardation" with "intellectual disability"	377
Technical corrections, various statutes	187

RIVERS

Mt. St. Helen's eruption, disposal of dredged riverbed materials from	426
---	-----

SUBJECT INDEX OF 2009 STATUTES

Chapter

ROADS AND HIGHWAYS

Alternative fuels corridor pilot project capable of supporting electric vehicle charging and battery exchange, authorization	459
Anacortes to San Juan Islands ferry route, added to scenic and recreational highway system	277
County road construction budget restrictions, recalculating county forces construction project cost limits	29
Department of transportation highway contracts, bond amounts	473
Ferry system, all state ferry routes added to scenic and recreational highway system	277
General obligation bonds, issuance to fund transportation projects	498
High capacity transportation corridor areas, establishment and funding	280
Highway construction review and site selection process, prioritizing use of public land	471
Jurisdictional route transfers, transferring responsibility for	260
Marine container ports, land use and transportation planning for	514
Scenic and recreational highway system, all state ferry routes added to	277
Scenic and recreational highway system, Anacortes to San Juan Islands ferry route added	277
State highways within tribal reservation boundaries, tribal authority for setting maximum speed limits	383
State property damage, liability of person operating vehicle illegally	393
State route 164, designation as highway of statewide significance	262
State route 397 extended to I-82	184
State route 520 corridor, issuance of general obligation bonds to fund projects	498
State route 520 floating bridge, authorization of early tolling to finance replacement floating bridge and landings	472
State route 99 Alaskan Way viaduct replacement project finance plan	458
State route number 520 work group, creation	472
Tacoma Narrows toll bridge account, toll charges, other revenue, and interest to be used only for tolled facility	567
Toll revenue, use for eligible tolling facilities and payment of principal, interest, and premium on bonds related to transportation projects	498

SALES

Cigarettes and tobacco products, liquor control board licensing administration authority	154
Crimes against property, threshold values	431
Direct sellers, harmonizing certain excise tax statutes with the streamlined sales and use tax agreement	289
Liquor license fees, increases for various establishments	507
Motor vehicles, dealer disclosure of damage and repair to new or previously unregistered vehicle	49
Motorsports vehicles, cancellation of order by dealer	517
Rebates, consumer protections	374
Resale certificates, improper use of and replacement with seller's permits issued by department of revenue	563
Retail crime task force	431
Sales tax compliance, improving	563
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications	469
Tobacco products, sale by mail order or internet	278

SALMON

Columbia river recreational salmon and steelhead pilot stamp program	420
Recovery, consolidation of certain activities and programs within the recreation and conservation office	345
Recovery, program and monitoring board for lower Columbia	199
Salmonid hatcheries closed or scheduled for closure, department of fish and wildlife to establish department-partner agreements for operation and management	340

SCHOLARSHIPS

American Indian endowed scholarship program, matching fund requirement eliminated	259
Conditional scholarship programs to be subject to availability of appropriations	539

SCHOOL EMPLOYEES' RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Interruptive military service credit	205
Transfer from PERS plan 2 to SERS plan 2, required for members employed by school districts and educational service districts	209

SCHOOLS AND SCHOOL DISTRICTS (See also PUBLIC INSTRUCTION, SUPERINTENDENT; TEACHERS)

Achievement gap oversight and accountability committee, establishment and duties	468
Alternative route teacher certification program for veterans and national guard members	192
Annual school district compliance reports, superintendent of public instruction to review	317
Assessments and curricula, implementing recommendations of WASL legislative work group	310
Basic education, redefinition, funding, and accountability	548
Capital projects funds, use by school districts	460
Certificated employees, notification date for nonrenewal of contracts of	57
Civics instruction added to requirements for receiving a high school diploma	223
Classified staff training, development and offering to be subject to availability of appropriations	539
Common school provisions, various sections suspended or amended to provide flexibility in the educational system	556
Construction, school construction assistance grant program financing	6
Cost-of-living increases for district employees, suspension of	573
Diagnostic assessments, school district access to assessments to be subject to availability of appropriations	539
District employees, using public resources for personal benefit	224
Dual credit opportunities, high school-college collaborations as part of college in the high school program to make possible	450
Dual-credit programs, moneys from institutional financial aid fund available for	215
Dyslexia, development of dyslexia handbook and educator training program to enhance skills of students with	546
Electric shock devices, prohibited in schools with certain exceptions	453
Elementary and secondary programs, implementation of certain programs to be subject to availability of funds	578
Elementary school students, recess periods	182
Employees of districts, suspension of cost-of-living increases	573
Employees, crimes requiring dismissal or certificate revocation	396
Financial education, standards and requirements	443
Fingerprint-based record checks, state patrol to provide to school and educational service districts free of charge	170
Graduation without a certificate of academic achievement or certificate of individual achievement, change in requirements	17
High school diplomas, expanding options for students to earn	524
Home schooling, annual parental declaration of intent to be exempt from public disclosure	191
Home-based instruction, school district advertising and marketing to students prohibited	190
Impact fees for school facilities, extension of time limit for fee use	263
Middle school students, career and technical education programs	212
Military children, interstate compact on educational opportunity	380
Online learning, development, approval, implementation, and administration of alternative learning experience online courses and programs	542

SUBJECT INDEX OF 2009 STATUTES

SCHOOLS AND SCHOOL DISTRICTS (See also PUBLIC INSTRUCTION, SUPERINTENDENT; TEACHERS) - con't.

Chapter

Opportunity internship program, career and technical education opportunities to be increased for low-income high school students	238
Running start program, provisions	450
Safe routes to school program, establishment within department of transportation	392
Savings in education programs, revision of various provisions in order to achieve	539
School plant funding, renaming components of appropriations allotment formula	129
School year, waivers from one hundred eighty-day requirement for school districts proposing a flexible calendar	543
Scoliosis screening in schools, eliminating	41
Secondary and elementary programs, implementation of certain programs to be subject to availability of funds	578
Sexual misconduct with a minor in first and second degree, school employee perpetrators	324
Special education programs, billing for medical services through	73
State schools for blind and deaf, transfers of accumulated leave of employees	47
Student achievement fund allocation rates to be specified in omnibus operating appropriations act	541
Student achievement fund appropriations, transfer by superintendent of public instruction	547
Student achievement gap, superintendent of public instruction to identify districts to receive workforce cultural competency skills assistance	468
Teachers, alternative route program for certification for veterans and national guard members	192
Teachers, professional development programs and national board certification bonuses to be subject to availability of appropriations	539
Teachers, teacher assistance program to be subject to availability of appropriations	539
Transfer from PERS plan 2 to SERS plan 2, required for members employed by school districts and educational service districts	209
Truancy provisions	266
Washington state center for childhood deafness and hearing loss, direction of state school for the deaf by	381
WASL legislative work group, recommendations concerning statewide assessments and curricula	310
Youth sports, adoption of policies for the management of concussions and head injuries	475

SCIENCE

Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58
Commercialization and innovation, department of community, trade, and economic development and life sciences and technology trade associations to encourage growth of	425
Puget Sound science panel and scientific research account, provisions	99

SECRETARY OF STATE

Corporations and partnerships, registration provisions	437
Elections division, reducing costs of	415
Partnerships and corporations, registration provisions	437
Voter registration database, statewide	369

SENIOR CITIZENS

Electric and gas utility rates, discounts for low-income and low-income senior customers	32
Housing facilities for low-income senior citizens, exemptions	483

SENTENCING

Alien firearm license, violations and penalties	216
Assault of a child in the first degree, offender sentencing review requirements and conditions of release	214
Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141

SUBJECT INDEX OF 2009 STATUTES

SENTENCING - con't.

Chapter

Certificate of discharge, no-contact order	288
Christmas trees, removing from or injuring on public or private land	349
Community custody, provisions for alternative sentencing	389
Community custody, supervision requirement for offenders with a current conviction for a serious violent offense when sentenced to	376
Community custody, technical corrections to RCW provisions	28
Contempt of court sanctions, location of imprisonment	37
County supervised community options	227
Crimes against property, threshold values	431
Criminal libel, repealing statutes	88
Cruelty to animals, violations and penalties	287
Drug offenses, provisions for alternative sentencing	389
Eryk Woodruff public safety act of 2009	214
Extraordinary medical placement, conditions	441
Firearms possession by an involuntarily committed person, provisions	293
Gambling, underage	357
Malicious harassment, modifying the definition of "sexual orientation" for prosecution purposes	180
Motor carriers, violations and penalties	46
Prostitution-related offenses, impoundment of vehicles used in	387
Registration, state patrol annual notification of juvenile sex or kidnapping offenders of ability to petition for relief from registration	210
Retail crime task force	431
Sentencing guidelines commission, technical corrections to RCW community custody provisions	28
Serious violent offense, supervision requirement for community custody sentence when offender has a current conviction for a	376
Sex offenses against minor victims, prosecution until victim's twenty-eighth birthday to be allowed in certain cases	61
Sexual misconduct with a minor in first and second degree, school employee perpetrators	324
Tobacco sales, selling certain products by mail order or internet to someone other than a wholesaler or retailer	278
Unlawful public transit conduct, violations and penalties	279
Work release, crime victims to submit input	69

SEWAGE AND SEWERS (See also WATER-SEWER DISTRICTS)

Sewer facility construction, contract requirements	344
--	-----

SEX OFFENSES AND OFFENDERS (See also CRIMINAL OFFENDERS; MENTAL HEALTH)

Commitment proceedings, counseling for sex offense victim whose crime occurred in another state and who testifies	38
Commitment proceedings, sexually violent predators	409
Community custody, technical corrections to RCW provisions	28
Notification and registration program for sex offenders, electronic statewide unified	31
Offenses against minor victims, prosecution until victim's twenty-eighth birthday to be allowed in certain cases	61
Registered sex and kidnapping offenders, sex offender policy board to make recommendations concerning submission of information regarding offender e-mail addresses	532
Registration, state patrol annual notification of juvenile sex or kidnapping offenders of ability to petition for relief from registration	210
School employee perpetrators, sexual misconduct with a minor in first and second degree	324
Sexually violent predators, commitment proceedings	409
Special commitment center, security information disclosure exemption	67

SEXUAL ORIENTATION (See also DISCRIMINATION)

Domestic partners, state insurance and pension benefits	523
State registered domestic partners, rights and responsibilities	521

SUBJECT INDEX OF 2009 STATUTES

Chapter

SEXUALLY TRANSMITTED DISEASES

Sexual health education funding for programs to help prevent	303
--	-----

SHERIFFS

Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141
Civil service commissions, five-member commissions authorized	112
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Medication management in jails, jail medication management work group to develop a model policy	411
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364

SHERIFFS AND POLICE CHIEFS, ASSOCIATION OF

Developmental disabilities, work group for developing screening tool and providing recommendations for accommodating offenders with	447
Jail medication management work group to be convened by the association to develop a model policy	411
Sex offenders, electronic statewide unified sex offender notification and registration program	31

SHORELINES AND SHORELINE MANAGEMENT

Shoreline location shifts, regulatory relief for property owners when shift is due to habitat restoration projects	405
Shoreline management act, local government authority to adopt moratoria and interim official controls	444
Shorelines hearings board, use of short boards for appeals	422

SMOKING

Novelty lighters, prohibition of sale and distribution	273
Tobacco products, sale by mail order or internet	278

SOCIAL AND HEALTH SERVICES, DEPARTMENT

Adoption support program, prospective adoptive parent to receive information describing limits of	491
Adult family home providers, department to establish geriatric specialty certification	530
Apple health for kids act, department to manage program in cooperation with state and local agencies	463
Applications for assistance from persons currently ineligible to receive assistance	198
Chemical dependency specialist services at children and family services offices, department contracting for	579
Child support, license suspension program for failure to pay	408
Child support, review of support payments by secretary of department	527
Child welfare services, crisis residential center provisions and appropriations	569
Child welfare system, enhancing safety and well-being of children through performance-based contracts with supervising agencies	520
Child welfare system, recommendations of racial disproportionality advisory committee	213
Child welfare system, reducing racial disproportionality in system and racial disparities in outcomes	520
Children's mental health services, access to care standards	388
Community integration assistance program	319
Correctional facilities and jails, providing assistance for persons with developmental disabilities after their release	447
Crisis residential centers for children, provisions and appropriations	569
Dependency proceedings, notice of custody and process for out-of-home care placement to encourage parental engagement in overall process	477
Dependency proceedings, notifying parent or parents of child placement options after entry of dispositional order	484
Developmental disabilities, eligibility for respite care for primary care providers	312

SUBJECT INDEX OF 2009 STATUTES

SOCIAL AND HEALTH SERVICES, DEPARTMENT - con't.

Chapter

Developmental disabilities, intensive behavior support services	194
Disproportionate share hospital adjustments, appropriations of funds for	538
Electronic applications and signatures as part of benefit application process	201
Family planning waiver program, department to submit applications for	545
Federal fostering connections to success and increasing adoptions act of 2008, implementation	235
Foster care, foster parent licensee to notify licensor before moving to new location.	206
Foster family homes, placement of child returning to out-of-home care	482
Home care, modifying state payments to agencies by prohibiting payment for in-home care in certain cases	571
Independent youth housing program, provisions	148
Initiative 1029, better background checks and improved training for long-term care workers for the elderly and persons with disabilities initiative of 2008	2
Less restrictive treatment, renewal of orders for persons released from involuntary mental health treatment	323
Long-term care worker training and background checks, changes to provisions	580
Medicaid, nursing facility payment system clarifications.	570
Medical assistance program, department to submit waiver request to expand and revise.	545
Medical support obligations as part of child support order, provisions	476
Mental health services for children, access to care standards.	388
Mental health, community integration assistance program.	319
Newborn children, appropriate locations for transfer	290
Nursing facility medicaid payment system, clarifying legislative intent regarding statewide weighted average and other factors	570
Persons with developmental disabilities serving time in correctional facilities and jails, providing assistance after their release.	447
Primary care medical home reimbursement pilot projects, evaluation of by health care authority and department	305
Sexually aggressive youth, treatment eligibility and funding.	250
Sexually transmitted diseases, sexual health education funding for programs to help prevent	303
Special commitment center, security information disclosure exemption	67
Special education programs, billing for medical services through	73
Telemedicine, delivery of medical assistance program home health care services through	326
Unintended pregnancy, sexual health education funding for programs to help prevent	303
WorkFirst temporary assistance for needy families, encouraging parents to pursue available educational and training opportunities	85

SOCIAL WORKERS (See COUNSELORS AND COUNSELING)

SOLID WASTE

Anaerobic digesters for processing livestock manure and organic waste- derived material, requirements for exemption from solid waste handling permitting	178
--	-----

SPECIAL PURPOSE DISTRICTS

Voting rights in special districts, provisions	144
--	-----

SPORTS

Boxing, martial arts, and wrestling events, payment of certain event and license fees into business and professions account	429
Motorsports vehicles, cancellation of order by dealer	517
Motorsports, termination or cancellation of manufacturer and dealer franchise agreements	232
Public community athletics programs, discrimination on the basis of sex prohibited.	467

SUBJECT INDEX OF 2009 STATUTES

SPORTS - con't.

Chapter

Youth sports, adoption of policies for the management of concussions and head injuries	475
--	-----

STATE AGENCIES AND DEPARTMENTS (See also STATE GOVERNMENT)

Administrative cost of state government, reducing through limits on hiring, personal service contracts, purchasing, travel, and training	294
Appropriations for 2009, 2010, or 2011, agency authority to use emergency rule making when implementing requirements or reductions	559
Boards, committees, and work groups, elimination, and transfer of duties	560
Claims for damages against state governmental entities, procedures and claim forms	433
Climate leadership, reducing greenhouse gas emissions and energy consumption by state government	519
Debt limit, eliminating the statutory debt limit	500
Electric vehicles, state agency role in infrastructure development and transition from combustion to electric vehicles	459
Emergency rule making, agency authority to use when implementing requirements or reductions in appropriations for 2009, 2010, or 2011	559
Energy efficiency and renewable energy improvements for state property owners, financing through sustainable energy trust program	65
Exempt employment, practices regarding	534
High-speed internet, department of information services to conduct survey and create information system map of infrastructure owned or leased by state agencies	509
Hours of operation for state agencies, mandatory minimum	428
Integrated climate change response strategy, department of ecology to coordinate with agencies and other groups	519
Joint comprehensive commute trip reduction plan for certain state agencies, including institutions of higher education	427
Nonprofit corporations, creation and registration with governmental body or agency as registered agent	202
Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97
Open public meetings access, opportunity for all interested rule-making hearing attendees to comment individually and orally	336
Paper, state agency paper conservation program to use one hundred percent recycled content paper	356
Partnerships, creation and registration with governmental body or agency as registered agent	202
Projects of statewide significance, qualifications and procedures for designation	421
Public employees' benefits board, employee eligibility for benefits	537
Reducing state administrative costs through 12-month salary and wage freeze and reduction in expenditures and services agreements	5
Reports prepared by certain state agencies, elimination or reduction in frequency of	518
Rule-making hearings public access, opportunity for all interested attendees to comment individually and orally	336
Rule-making information, each state agency to post on its web site	93
Service animal training, attendance by state agency employees with sensory disabilities	294
Small businesses, first-time paperwork violations	358
Water banking, trust water rights program used for	283

STATE BUILDINGS

Legislative building, sales of wine at gift center	228
--	-----

STATE GOVERNMENT (See also STATE AGENCIES AND DEPARTMENTS)

Administrative cost of state government, reducing through limits on hiring, personal service contracts, purchasing, travel, and training	294
Appropriations for 2009, 2010, or 2011, agency authority to use emergency rule making when implementing requirements or reductions	559
Boards, committees, and work groups, elimination, and transfer of duties	560
Capital and operating budgets, general obligation bond issuance authority	498

SUBJECT INDEX OF 2009 STATUTES

STATE GOVERNMENT (See also STATE AGENCIES AND DEPARTMENTS) - con't.

Chapter

Claims for damages against state governmental entities, procedures and claim forms	433
Climate leadership, reducing greenhouse gas emissions and energy consumption by state government	519
Debt limit, eliminating the statutory debt limit	500
Electric vehicles, state government role in infrastructure development and transition from combustion to electric vehicles	459
Emergency rule making, agency authority to use when implementing requirements or reductions in appropriations for 2009, 2010, or 2011	559
Energy efficiency and renewable energy improvements for state property owners, financing through sustainable energy trust program	65
Exempt employment, practices regarding	534
Flag, Washington state flag account	71
Identification devices, limits on scanning	66
Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97
Olympic marmot, official state endemic mammal	464
Projects of statewide significance, qualifications and procedures for designation	421
Public works projects, payment of undisputed claims	193
Reducing state administrative costs through 12-month salary and wage freeze and reduction in expenditures and services agreements	5
Reports prepared by certain state agencies, elimination or reduction in frequency of	518
State property damage, liability of person operating vehicle illegally	393
Uniform law commission	218

STATE PATROL

Amber alert plan, state patrol to develop and implement	20
Assault of law enforcement officer or other employee with firearm, special jury verdict and increased sentence range	141
Crime laboratory, work group to evaluate need for virtual digital forensic lab.	27
Crisis services, criminal justice training commission to offer recognition and intervention services training for corrections, criminal justice, and other public safety personnel	19
Donations, state patrol authority to accept	108
Endangered missing person advisory plan, state patrol to develop and implement	20
Fingerprint-based record checks, state patrol to provide to school and educational service districts free of charge	170
Juvenile sex or kidnapping offenders, annual notice from state patrol of ability to petition for relief from registration	210
Medication management in jails, jail medication management work group to develop a model policy	411
Missing children, state patrol to develop and implement amber alert plan	20
Motor carriers, safety requirements and compliance reviews	46
Seizure under uniform controlled substances act, service of notice from law enforcement agencies	364

STATE PATROL RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Domestic partners, benefits	522
Interruptive military service credit	205

STATUTE LAW COMMITTEE (See CODE REVISER)

STEELHEAD

Columbia river recreational salmon and steelhead pilot stamp program	420
Recovery, program and monitoring board for lower Columbia	199

STUDIES

Digital forensic crime lab, work group to evaluate need	27
Specialized forest products, work group recommendations	245

SUBJECT INDEX OF 2009 STATUTES

STUDIES - con't.

Chapter

State route 99 deep bore tunnel traffic and revenue study, to be conducted by department of transportation	458
Underground economy, joint legislative task force on the underground economy to study	432
Veterans, access to services	22
Washington state health insurance pool study of options for funding sources for operation of the pool.	555

SUBDIVISIONS

Plat approval, notifying irrigation district in certain cases when application received by city, town, or county for	145
---	-----

SUPERIOR COURT

Surcharges on various filing fees, clerks to remit for deposit in judicial stabilization trust account.	572
Water rights adjudication, procedures.	332

TATTOOS AND TATTOOERS

Tattooing, body art, body piercing, comprehensive regulations	412
---	-----

TAXES (See also BUSINESS AND OCCUPATION TAX; EXCISE TAX; MOTOR VEHICLE FUEL TAX; PROPERTY TAX; PUBLIC UTILITY TAX; SALES TAX; SPECIAL FUEL TAX; USE TAX)

Electronic methods for filing, payment, and assessment of taxes administered by department of revenue.	176
Environmental incentives, various	469
Sales tax compliance, improving	563

TAXES - BUSINESS AND OCCUPATION TAX

Biomass fuels in renewable energy production, tax credit for harvesters.	469
Bunker fuel, manufacturing and selling for use outside United States waters by foreign commercial vessels	494
Digital products, changes in provisions related to	535
Environmental incentives, various	469
Legal services provided by nonprofit organizations, exemption	508
Newspaper industry, decreasing tax burden for	461
Radioactive waste, applicability of radioactive waste clean-up classification to kinds of work performed at Hanford site.	469
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications for sales at wholesale	469
Washington customized employment training program, credit allowed for participants	296

TAXES - EXCISE TAX

Digital products, tax provisions, including exemptions	535
Electric vehicle infrastructure, exemption from leasehold excise tax.	459
High capacity transportation corridor areas, funding	280
Real estate excise tax, expending existing city and county taxes on municipally owned heavy rail short lines.	211
Sales tax compliance, improving	563
Streamlined sales and use tax agreement, harmonizing certain excise statutes with	289

TAXES - MOTOR VEHICLE FUEL TAX

State route 520 corridor general obligation bonds, use of tax revenues to pay principal and interest	498
---	-----

TAXES - PROPERTY TAX

Administration of property tax	350
Artistic, scientific or historical purposes or activities, exemption for organizations using property for	58
Community revitalization financing, use of local property tax allocation revenues for public improvements	270

SUBJECT INDEX OF 2009 STATUTES

TAXES - PROPERTY TAX - con't.

Chapter

Current use valuation programs, provisions	255
Farm and agricultural land classification, specifications for	513
Ferry district levy rates	551
Habitat of threatened or endangered species, exemptions as part of process for transfer or sale of conservation easement of private forest land containing.	354
Levies, provisions modified	551
Public transit levy rates	551
Real estate and property tax administration assistance account, creation.	308
Revaluation of property by counties for property tax purposes, annual	308

TAXES - PUBLIC UTILITY TAX

Electrolytic processing businesses, exemption for electricity use	434
Log trucks, tax on log transportation businesses	469
Solar energy, community solar projects incentives.	469

TAXES - SALES TAX

Biomass fuels in renewable energy production, exemption for forest derived biomass	469
Community revitalization financing, use of local sales and use tax allocation revenues for public improvements	270
Commuter air carriers, exemptions for intrastate operations	503
Compliance, improving.	563
Digital products, sales and use tax provisions, including exemptions	535
Electric vehicle infrastructure and product exemption	459
Environmental incentives, various	469
High capacity transportation corridor areas, funding	280
High technology deferral, clarifying eligibility of multiple qualified buildings.	268
Hog fuel, exemption when used for production of electricity, steam, heat, or biofuel	469
Housing facilities for low-income senior citizens, exemption	483
Hybrid technology vehicles, exemption	469
Livestock nutrient management equipment and facilities, exemption	469
Local sales and use, chemical dependency services, mental health treatment, and therapeutic courts	551
Local sales and use, community revitalization financing for public improvements, including demonstration projects	270
Local sales and use, crediting against state sales and use tax extended	550
Local sales and use, fire protection purposes	551
Local sales and use, imposed for local infrastructure financing.	267
Local sales and use, limits on public facilities district authority to impose	533
Local sales and use, time period during which tax may be collected for public facilities in rural counties	511
Local sales and use, various environmental incentives.	469
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications	469
Streamlined sales and use tax agreement, harmonizing certain excise statutes with	289

TAXES - SPECIAL FUEL TAX

State route 520 corridor general obligation bonds, use of tax revenues to pay principal and interest.	498
Urban passenger transportation systems, clarifying limits of special fuel tax exemption.	352

TAXES - USE TAX

Biomass fuels in renewable energy production, exemption for forest derived biomass	469
Community revitalization financing, use of local sales and use tax allocation revenues for public improvements	270
Commuter air carriers, exemptions for intrastate operations	503
Digital products, sales and use tax provisions, including exemptions	535
Electric vehicle infrastructure and product exemption	459

SUBJECT INDEX OF 2009 STATUTES

TAXES - USE TAX - con't.

Chapter

Environmental incentives, various	469
High capacity transportation corridor areas, funding	280
High technology deferral, clarifying eligibility of multiple qualified buildings	268
Hog fuel, exemption when used for production of electricity, steam, heat, or biofuel	469
Housing facilities for low-income senior citizens, exemption	483
Livestock nutrient management equipment and facilities, exemption	469
Local sales and use, chemical dependency services, mental health treatment, and therapeutic courts	551
Local sales and use, community revitalization financing for public improvements, including demonstration projects	270
Local sales and use, crediting against state sales and use tax extended	550
Local sales and use, fire protection purposes	551
Local sales and use, imposed for local infrastructure financing	267
Local sales and use, limits on public facilities district authority to impose	533
Local sales and use, time period during which tax may be collected for public facilities in rural counties	511
Local sales and use, various environmental incentives	469
Solar energy systems using photovoltaic modules or semiconductor materials, tax modifications	469
Streamlined sales and use tax agreement, harmonizing certain excise statutes with	289

TEACHERS

Alternative route partnership grant program, changing work experience provisions	166
Alternative route teacher certification program for veterans and national guard members	192
Dyslexia, development of dyslexia handbook and educator training program to enhance skills of students with	546
National board certification bonuses to be subject to availability of appropriations	539
Professional development programs to be subject to availability of appropriations	539
Savings in education programs, revision of various provisions in order to achieve	539
School employees, crimes requiring dismissal or certificate revocation	396
Teacher assistance program to be subject to availability of appropriations	539

TEACHERS' RETIREMENT SYSTEM

Actuarial funding of state retirement systems	561
Interruptive military service credit	205

TECHNOLOGY

Clean energy leadership initiative created and clean energy leadership council appointed and convened	318
Commercialization and innovation, department of community, trade, and economic development and life sciences and technology trade associations to encourage growth of	425
Digital products, sales and use tax provisions, including exemptions	535
High technology sales and use tax deferral, clarifying eligibility of multiple qualified buildings	268
High-speed internet work group to be renamed the advisory council on digital inclusion	509
High-speed internet, department of information services authority for overseeing broadband adoption and deployment efforts on behalf of the state	509
Higher education technology transformation task force to be convened by higher education coordinating board	407

TELECOMMUNICATIONS

Ancillary services, harmonizing certain excise tax statutes with the streamlined sales and use tax agreement	289
Digital products, sales and use tax provisions, including exemptions	535
Wireless communications, provisions related to wireless phone numbers used by directory providers	401

SUBJECT INDEX OF 2009 STATUTES

Chapter

THEATERS

Artistic, scientific or historical purposes or activities, property tax exemption for organizations using property for	58
--	----

TIMBER AND TIMBER INDUSTRIES (See also FOREST PRACTICES AND PRODUCTS)

Christmas trees, harvesting	245
Christmas trees, removing from or injuring on public or private land	349
Commercial forestry operations, act of owning forested land defined as forest practice	200
Contract harvesting on state trust lands	418
Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Huckleberries, regulations	245
Log trucks, public utility tax on log transportation businesses	469
Specialized forest products, permitting process and theft protections	245
State trust lands, contract harvesting	418

TIRES

Lead wheel weights, environmentally preferred alternatives	243
--	-----

TOBACCO AND TOBACCO PRODUCTS

Cigarettes and tobacco products, liquor control board licensing administration authority	154
--	-----

TOURISM

Local tourism promotion areas, restriction on forming in counties with population of one million or more removed	442
--	-----

TRAFFIC (See also COMMUTING)

Joint comprehensive commute trip reduction plan for certain state agencies, including institutions of higher education	427
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272
Two-wheeled and three-wheeled vehicles, definitions and requirements	275

TRAFFIC OFFENSES

"Conviction" defined for purposes of the uniform commercial driver's license act	181
Liability for damage to state property of person operating vehicle illegally	393
Recording devices in vehicles, vehicle systems data privacy and disclosure provisions	485
Relicensing diversion program	490
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272

TRANSPORTATION (See also FERRIES; TRANSPORTATION COMMISSION; TRANSPORTATION, DEPARTMENT)

Agency council on coordinated transportation to appoint work group and advance effective transportation for persons with special transportation needs	515
Agribusiness drivers, exemption from certain commercial driver's license requirements	339
Budget, 2009-2011	470
Budget, supplemental 2008	8
Commercial drivers, "conviction" defined for purposes of the uniform commercial driver's license act	181
Economic stimulus transportation funding and appropriations	8

SUBJECT INDEX OF 2009 STATUTES

TRANSPORTATION (See also FERRIES; TRANSPORTATION COMMISSION; TRANSPORTATION, DEPARTMENT) - con't. Chapter

General obligation bonds, issuance to fund transportation projects	498
High capacity transportation corridor areas, establishment and funding	280
Household goods carriers, permits and conditions for advertising	94
Jurisdictional route transfers, transferring responsibility to commission from improvement board	260
Local coordinating coalitions, creation in each nonemergency medical transportation brokerage region	515
Log trucks, public utility tax on log transportation businesses	469
Marine container ports, land use and transportation planning for	514
Motor carriers, safety requirements and compliance reviews	46
Paratransit/special needs grants, application requirements for organizations applying for	515
Property tax levy rates for ferries and public transit	551
Rate and service regulation of certain transportation services, utilities and transportation commission authority to forebear from	557
Special transportation needs, agency council on coordinated transportation to appoint work group and advance effective transportation for persons with	515
State route 520 corridor, issuance of general obligation bonds to fund projects	498
State route 520 floating bridge, authorization of early tolling to finance replacement floating bridge and landings	472
Toll revenue, use for eligible tolling facilities and payment of principal, interest, and premium on bonds related to transportation projects	498
Transportation budget, 2009-2011	470
Urban passenger transportation systems, clarifying limits of special fuel tax exemption	352

TRANSPORTATION COMMISSION

Jurisdictional route transfers, transferring responsibility to commission	260
---	-----

TRANSPORTATION, DEPARTMENT

Agency council on coordinated transportation to appoint work group and advance effective transportation for persons with special transportation needs	515
Bond amounts for department highway contracts	473
Highway construction review and site selection process, prioritizing use of public land	471
Joint comprehensive commute trip reduction plan for certain state agencies, including institutions of higher education	427
Milwaukee Road corridor, extending the time period for the department to enter into a franchise agreement for a rail line	338
Safe routes to school program, establishment within department	392
Special transportation needs, agency council on coordinated transportation to appoint work group and advance effective transportation for persons with	515
State property damage, liability of person operating vehicle illegally	393
State route 520 floating bridge tolls, department authority to administer tolling program	472
State route 99 Alaskan Way viaduct replacement project, contracting and financing requirements	458
State route 99 deep bore tunnel traffic and revenue study, to be conducted by the department	458
State route number 520 work group, creation	472
Toll penalties for infractions detected through photo enforcement system, reduction prohibited	272

TRUSTS AND TRUSTEES

Deeds of trust, foreclosure	292
Guardianship, uniform adult guardianship and protective proceedings jurisdiction act	81
Washington principal and income act of 2002, revisions	365

UNEMPLOYMENT COMPENSATION

Administrative contingency fund, high-demand occupation training program funds for certain unemployed persons to come from separate account within	566
Economic security act of 2009, improving economic security through unemployment compensation	3
Employer contribution rates, revisions	493
Employer experience rating chapter, correcting statutory references	225
Employers, good cause for late filing of reports, contributions, penalties, or interest	83
Experience rating accounts of employers, military service benefit charge exemption.	50
Voluntarily leaving part-time work, qualifying for benefits under certain circumstances.	247

UNIVERSITY OF WASHINGTON

Bond retirement fund	499
Building account, use of funds for certificates of participation authorized	499
Consolidated endowment fund, disclosure of private investment information related to.	394
Engineering, programs in chemical, mechanical, and civil engineering no longer restricted to UW and WSU.	207
Global Asia institute and institute advisory board, creation within Henry M. Jackson school of international studies	466
Health sciences library, online access to by certain health care providers	558
Human rights center, creation	465
Shellfish biotoxins, surcharge to fund monitoring by Olympic region harmful algal bloom program of the Olympic natural resources center	577
Tuition, resident and nonresident undergraduates	574

UTILITIES (See also ELECTRIC UTILITIES; TELECOMMUNICATIONS)

Conservation project loans from municipal utilities and public utility districts, repayment period expanded	416
Energy efficiency and greenhouse gases in built environment, maintaining energy consumption data on certain nonresidential and public agency buildings as part of strategic plan concerning	423
Gas companies, date utilities and transportation commission sets pipeline safety fees changed	91
Lake Tapps water supply, exercise of eminent domain authority by watershed management partnership.	504
Public service companies, customer interest protections in proceedings before utilities and transportation commission	24
Rates, discounts for low-income and low-income senior customers of gas and electric companies.	32
Renewable energy sources, tax incentives for use of biomass fuels to generate electricity.	469
Solar energy, community solar projects incentives.	469
Watershed management partnerships, eminent domain authority granted	504
Watershed management partnerships, exercise of eminent domain authority in the case of the Lake Tapps water supply	504

UTILITIES AND TRANSPORTATION COMMISSION

Gas companies, date commission sets pipeline safety fees changed	91
Household goods carriers, permits and conditions for advertising.	94
Motor carriers, commission responsibility for adoption and enforcement of safety requirements	46
Public service companies, customer interest protections in proceedings before commission.	24
Rate and service regulation of certain transportation services, commission authority to forebear from	557
Rates, discounts for low-income and low-income senior customers of gas and electric companies.	32
Solar energy, community solar projects incentives.	469

SUBJECT INDEX OF 2009 STATUTES

Chapter

VETERANS

Access to services, department of veterans affairs to study ways to improve	22
Alternative route teacher certification program for veterans and national guard members	192
Burials, liability regarding transfer of remains	56
Linked deposit program for veteran-owned businesses, setting interest rates of time certificate of deposits for	385
Military children, interstate compact on educational opportunity	380
Public employment, scoring criteria in competitive examinations	248
Relief, definition of veteran	35
Tuition waivers, stepchildren to be included as eligible children of veterans and national guard members	316

VETERINARIANS

Technician performance of certain drug preparation functions when delegated by licensed veterinarian	136
--	-----

VICTIMS OF CRIMES

Counseling for sex offense victim whose crime occurred in another state and who testifies in civil commitment proceedings	38
Crime victims' compensation program, funds for counseling for sex offense victims	38
Notification of victims and witnesses, domestic violence court order violations added to list of eligible offenses	400
Right to present a statement at sentence review or clemency and pardons hearing	138
Sex offenses against minor victims, prosecution until victim's twenty-eighth birthday to be allowed in certain cases	61
Tenants who are victims of sexual assault, unlawful harassment, or stalking by a landlord, legal protections	395
Work release, crime victims to submit input	69

VOCATIONAL EDUCATION

High-demand occupation training program funds, use by workforce development councils to help certain economically disadvantaged adults and unemployed workers	566
Job skills program, funding and applications for	554
Middle school students, career and technical education programs	212
Opportunity internship program, career and technical education opportunities to be increased for low-income high school students	238
Workforce and economic development, clarifying terms for	353
Workforce and economic development, coordination of	151

VULNERABLE ADULTS

Estates, financial exploitation of vulnerable adult by an abuser	525
--	-----

WAGES AND HOURS

Apprentices, requirements for labor hours on public works projects by four-year higher education institutions to be performed by	197
Prevailing wage, definition of independent contractor	63
Residential construction wage rates for public works projects	62

WARRANTIES

Motor vehicle warranties, provisions	351
--------------------------------------	-----

WASHINGTON ADMINISTRATIVE CODE

Office of regulatory assistance, procedures for improving function of environmental and business regulatory processes	97
Rule-making information, each state agency to post on its web site	93

WASHINGTON STATE UNIVERSITY

Bond retirement fund	499
Building account, use of funds for certificates of participation authorized	499

SUBJECT INDEX OF 2009 STATUTES

WASHINGTON STATE UNIVERSITY - con't.

Chapter

Energy efficiency upgrade pilot programs, extension energy program authority to implement grants for	379
Engineering, programs in chemical, mechanical, and civil engineering no longer restricted to UW and WSU	207
Small business development center, duties of center and establishment and expansion of satellite offices	486
Tuition, resident and nonresident undergraduates	574

WATER

Lake Tapps water supply, exercise of eminent domain authority by watershed management partnership	504
Reclaimed water use, permitting requirements and violations and penalties	456
Walla Walla watershed community, establishing a water management board and pilot local water management program	183
Water banking, trust water rights program used for	283
Water reclamation systems, water-sewer districts authorized to construct, condemn and purchase, add to, maintain, and operate	253
Watershed management partnerships, eminent domain authority granted	504

WATER COMPANIES

Group B public water systems, waiver of some requirements by state board of health for systems with fewer than five connections	495
Public water systems, chlorine residual measurement requirements for certain group A water systems	367
Public water systems, operator certification and responsibilities	221
Water facility construction, contract requirements	344

WATER POLLUTION (See also ECOLOGY, DEPARTMENT)

Dairy nutrient management program, violations	143
Lake Whatcom, demonstration project to reduce phosphorus loading in	48
Reclaimed water use, permitting requirements and violations and penalties	456
Storm water technical resource center and advisory committee, department of ecology to create in partnership with a university or other entity	449
Water discharge fees, changes	249
Water quality standards, amendment by department of ecology to authorize compliance schedules for discharge permits in certain cases	457

WATER QUALITY

Habitat of threatened or endangered species, process for transfer or sale of conservation easement of private forest land containing	354
Habitat of threatened or endangered species, program for purchase as part of riparian open space program	246
Habitat of threatened or endangered species, replacement of state forest lands with endangered species-based encumbrances with productive, working forest lands	354
Lake Whatcom, demonstration project to reduce phosphorus loading in	48
Reclaimed water use, permitting requirements and violations and penalties	456
Standards, amendment by department of ecology to authorize compliance schedules for discharge permits in certain cases	457
Water discharge fees, changes	249

WATER RIGHTS

Adjudication, procedures	332
Reclaimed water use, permitting requirements and violations and penalties	456
Walla Walla watershed community, establishing a water management board and pilot local water management program	183
Water banking, trust water rights program used for	283
Water discharge fees, changes	249

WATER-SEWER DISTRICTS (See also SEWAGE AND SEWERS)

Lake Tapps water supply, exercise of eminent domain authority by watershed management partnership	504
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SUBJECT INDEX OF 2009 STATUTES

WATER-SEWER DISTRICTS (See also SEWAGE AND SEWERS) - con't. **Chapter**

Water or sewer facility construction, municipal participation in funding and reimbursement amounts	230
Water reclamation systems, water-sewer districts authorized to construct, condemn and purchase, add to, maintain, and operate.	253
Watershed management partnerships, eminent domain authority granted	504

WESTERN WASHINGTON UNIVERSITY

Capital projects account, use of funds for certificates of participation authorized.	499
Peer mentoring pilot program in collaboration with a community or technical college	446
Tuition, resident and nonresident undergraduates.	574

WILDLIFE

Cruelty to animals, violations and penalties	287
Habitat conservation account and riparian protection account provisions, references to mitigation banking projects removed.	16
Modernizing certain fish and wildlife provisions in title 77 RCW.	333
Olympic marmot, official state endemic mammal	464
Wildlife and recreation program, qualified applicants and procedures for funding from accounts	341

WOMEN (See also DISCRIMINATION)

Breastfeeding, protecting women's right to do so in certain public places.	164
Linked deposit program for women's business enterprises, setting interest rates of time certificate of deposits for.	385
Office of minority and women's business enterprises, requirement and schedule for submission of data by state agencies and educational institutions to	348

WORKERS' COMPENSATION

Industrial insurance appeals, restrictions on contact with medical providers after filing.	391
Violations, department of labor and industries authority to issue stop work orders	196

WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

Comprehensive plan for workforce training and education, timeline for submission and updates by board revised	92
Evergreen jobs act, provisions relating to vocational education, including green industry skill panels	536
High-demand occupation training program funds, role of board in use by workforce development councils to help certain economically disadvantaged adults and unemployed workers.	566
Opportunity internship program, board to study outcome	238
Opportunity internship program, incentive payment for participating opportunity internship consortium offering paid internships within certain guidelines	238
Workforce and economic development, clarifying terms for	353
Workforce and economic development, comprehensive plan for coordination of	151
Workforce and economic development, multi-agency report to legislature on progress	151

STATE MEASURES FILED WITH THE SECRETARY OF STATE

INITIATIVES TO THE PEOPLE

For information on Initiatives to the People, see <http://secstate.wa.gov/elections/initiatives/statistics.aspx>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

INITIATIVES TO THE LEGISLATURE

For information on Initiatives to the Legislature, see <http://secstate.wa.gov/elections/initiatives/statistics.aspx>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

REFERENDUM MEASURES

For information on Referendum Measures, see <http://secstate.wa.gov/elections/initiatives/statistics.aspx>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

REFERENDUM BILLS

For information on Referendum Bills, see <http://secstate.wa.gov/elections/initiatives/statistics.aspx>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

HISTORY OF CONSTITUTIONAL AMENDMENTS ADOPTED SINCE STATEHOOD

- No. 1. Section 5, Article XVI. Re: **Permanent School Fund.** Adopted November, 1894.
- No. 2. Section 1, Article VI. Re: **Qualification of Electors.** Adopted November, 1896.
- No. 3. Section 2, Article VII. Re: **Uniform Rates of Taxation.** Adopted November, 1900.
- No. 4. Section 11, Article I. Re: **Religious Freedom.** Adopted November, 1904.
- No. 5. Section 1, Article VI. Re: **Equal Suffrage.** Adopted November, 1910.
- No. 6. Section 10, Article III. Re: **Succession in Office of Governor.** Adopted November, 1910.
- No. 7. Section 1, Article II. Re: **Initiative and Referendum.** Adopted November, 1912.
- No. 8. Adding Sections 33 and 34, Article I. Re: **Recall.** Adopted November, 1912.
- No. 9. Section 16, Article I. Re: **Taking of Private Property.** Adopted November, 1922.
- No. 10. Section 22, Article I. Re: **Right of Appeal.** Adopted November, 1922.
- No. 11. Section 4, Article VIII. Re: **Appropriation.** Adopted November, 1922.
- No. 12. Section 5, Article XI. Re: **Consolidation of County Offices.** Adopted November, 1924.
- No. 13. Section 15, Article II. Re: **Vacancies in the Legislature.** Adopted November, 1930.
- No. 14. Article VII. Re: **Revenue and Taxation.** Adopted November, 1930.
- No. 15. Section 1, Article XV. Re: **Harbors and Harbor Areas.** Adopted November, 1932.
- No. 16. Section 11, Article XII. Re: **Double Liability of Stockholders.** Adopted November, 1940.
- No. 17. Section 2, Article VII. Re: **40-Mill Tax Limit.** Adopted November, 1944.
- No. 18. Adding Section 40, Article II. Re: **Restriction of motor vehicle license fees and excise taxes on motor fuels to highway purposes only.** Adopted November, 1944.
- No. 19. Adding Section 3, Article VII. Re: **State to tax the United States and its instrumentalities to the extent that the laws of the United States will allow.** Adopted November, 1946.
- No. 20. Adding Section 1, Article XXVIII. Re: **Legislature to fix the salaries of state elective officials.** Adopted November, 1948.
- No. 21. Section 4, Article XI. Re: **Permit counties to adopt "Home Rule" charters.** Adopted November, 1948.
- No. 22. Repealing Section 7 of Article XI. Re: **County elective officials.** (These officials can now hold same office more than two terms in succession.) Adopted November, 1948.
- No. 23. Adding Section 16, Article XI. Re: **Permitting the formation, under a charter, of combined city and county municipal corporations having a population of 300,000 or more.** Adopted November, 1948.
- No. 24. Article II, Section 33. Re: **Permitting ownership of land by Canadians who are citizens of provinces wherein citizens of the State of Washington may own land.** (All provinces of Canada authorize such ownership.) Adopted November, 1950.

HISTORY OF ADOPTED CONSTITUTIONAL AMDTS.

- No. 25. Adding Section 3(a), Article IV. Re: **Establishing Retirement Age for Judges of Supreme and Superior Courts.** Adopted November, 1952.
- No. 26. Adding Section 41, Article II. Re: **Permitting the Legislature to Amend Initiative Measures.** Adopted November, 1952.
- No. 27. Section 6, Article VIII. Re: **Extending Bonding Powers of School Districts.** Adopted November, 1952.
- No. 28. Sections 6 and 10, Article IV. Re: **Increasing Monetary Jurisdiction of Justice Courts.** Adopted November, 1952.
- No. 29. Article II, Section 33. Re: **Redefining "Alien," thereby permitting the Legislature to determine the policy of the state respecting the ownership of land by corporations having alien shareholders.** Adopted November, 1954.
- No. 30. Adding Section 1A, Article II. Re: **Increasing the number of signatures necessary to certify a state initiative or referendum measure.** Adopted November, 1956.
- No. 31. Section 25, Article III. Re: **Removing the restriction prohibiting the state treasurer from being elected for more than one successive term.** Adopted November, 1956.
- No. 32. Section 2, Article XV. Re: **Filling vacancies in the state legislature.** Adopted November, 1956.
- No. 33. Section 1, Article XXIV. Re: **Modification of state boundaries by compact.** Adopted November, 1958.
- No. 34. Section 11, Article I. Re: **Employment of chaplains at state institutions.** Adopted November, 1958.
- No. 35. Section 25, Article II. Re: **Pensions and Employees' Extra Compensation.** Adopted November, 1958.
- No. 36. Section 1, Article II by adding a new subsection (e). Re: **Publication and Distribution of Voters' Pamphlet.** Adopted November, 1962.
- No. 37. Section 1, Article XXIII. Re: **Publication of Proposed Constitutional Amendments.** Adopted November, 1962.
- No. 38. Adding Section 2(c), Article IV. Re: **Temporary Performance of Judicial Duties.** Adopted November, 1962.
- No. 39. Adding Section 42, Article II. Re: **Governmental Continuity During Emergency Periods.** Adopted November, 1962.
- No. 40. Section 10, Article XI. Re: **Lowering minimum population for first class cities from 20,000 to 10,000. Also changing newspaper publication requirements for proposed charters.** Adopted November, 1964.
- No. 41. Section 29, Article IV. Re: **Election of Superior Court Judges.** Adopted November, 1966.
- No. 42. Repealing Section 33, Article II and Amendments 24 and 29. Re: **Alien Ownership of Lands.** Adopted November, 1966.
- No. 43. Section 3, Article IX. Re: **Funds for Support of the Common Schools.** Adopted November, 1966.

HISTORY OF ADOPTED CONSTITUTIONAL AMDTS.

- No. 44. Section 5, Article XVI. Re: **Investment of Permanent Common School Fund.** Adopted November, 1966.
- No. 45. Adding Section 8, Article VIII. Re: **Port Expenditures—Industrial Development—Promotion.** Adopted November, 1966.
- No. 46. Adding Section 1A, Article VI. Re: **Voter Qualifications for Presidential Elections.** Adopted November, 1966.
- No. 47. Adding Section 10, Article VII. Re: **Retired Persons Property Tax Exemption.** Adopted November, 1966.
- No. 48. Section 3, Article VIII. Re: **Public Special Indebtedness, How Authorized.** Adopted November, 1966.
- No. 49. Adding Section 1, Article XXIX. Re: **Investments of Public Pension and Retirement Funds.** Adopted November, 1968.
- No. 50. Adding Section 30, Article IV. Re: **Court of Appeals.** Adopted November, 1968.
- No. 51. Adding Section 9, Article VIII. Re: **State Building Authority.** Adopted November, 1968.
- No. 52. Section 15, Article II. Re: **Vacancies in Legislature and in Partisan County Elective Office.** Also amending Section 6, Article XI. Re: **Vacancies in Township, Precinct or Road District Office.** Adopted November, 1968.
- No. 53. Adding Section 11, Article VII. Re: **Taxation Based on Actual Use.** Adopted November, 1968.
- No. 54. Adding Section 1, Article XXX. Re: **Authorizing Compensation Increase During Term.** Adopted November, 1968.
- No. 55. Section 2, Article VII. Re: **Limitation on Levies.** Adopted November, 1972.
- No. 56. Section 24, Article II. Re: **Lotteries and Divorce.** Adopted November, 1972.
- No. 57. Section 5, Article XI. Re: **County Government.** Adopted November, 1972.
- No. 58. Section 16, Article XI. Re: **Combined City-County.** Adopted November, 1972.
- No. 59. Section 2, Article VII. Re: **Limitation on Levies.** Adopted November, 1972.
- No. 60. Section 1, Article VIII. Re: **State Debt.** Also amending Section 3, Article VIII. Re: **Special Indebtedness, How Authorized.** Approved November, 1972.
- No. 61. Adding new Article XXXI. Re: **Sex Equality, Rights and Responsibilities.** Adopted November, 1972.
- No. 62. Section 12, Article III. Re: **Veto Power.** Adopted November, 1974.
- No. 63. Section 1, Article VI. Re: **Qualifications of Electors.** Adopted November, 1974.
- No. 64. Section 2, Article VII. Re: **Limitation on Levies.** Adopted November, 1976.
- No. 65. Section 6, Article IV. Re: **Jurisdiction of Superior Courts.** Also amending Section 10, Article IV. Re: **Justices of the Peace.** Adopted November, 1976.
- No. 66. Section 18, Article XII. Re: **Rates for Transportation.** Adopted November, 1977.
- No. 67. Repealing Section 14, Article XII. Re: **Prohibition Against Combinations by Carriers.** Adopted November, 1977.

HISTORY OF ADOPTED CONSTITUTIONAL AMDTS.

- No. 68. Section 12, Article II. Re: **Legislative Sessions, When—Duration.** Adopted November, 1979.
- No. 69. Section 13, Article II. Re: **Limitation on Members Holding Office in the State.** Adopted November, 1979.
- No. 70. Adding Section 10, Article VIII. Re: **Residential Energy Conservation.** Adopted November, 1979.
- No. 71. Adding Section 31, Article IV. Re: **Judicial Qualifications Commission—Removal, Censure, Suspension, or Retirement of Judges or Justices.** Adopted November, 1980.
- No. 72. Sections 1 and 1(a), Article II. Re: **Legislative Powers, Where Vested and Initiative and Referendum, Signatures Required.** Adopted November, 1981.
- No. 73. Adding Section 1, Article XXXII. Re: **Special Revenue Financing.** Adopted November, 1981.
- No. 74. Adding Section 43, Article II. Re: **Redistricting.** Adopted November, 1983.
- No. 75. Section 1, Article XXIX. Re: **May be Invested as Authorized by Law.** Adopted November, 1985.
- No. 76. Adding Section 11, Article VIII. Re: **Agricultural Commodity Assessments—Development, Promotion, and Hosting.** Adopted November, 1985.
- No. 77. Section 31, Article IV. Re: **Commission on Judicial Conduct—Removal, Censure, Suspension, or Retirement of Judges or Justices—Proceedings.** Adopted November, 1986.
- No. 78. Section 1, Article XXVIII. Re: **Salaries for Legislators, Elected State Officials, and Judges—Independent Commission—Referendum.** Adopted November, 1986.
- No. 79. Section 2, Article VII. Re: **Limitation on Levies.** Adopted November, 1986.
- No. 80. Section 7, Article IV. Re: **Exchange of judges—Judge Pro Tempore.** Adopted November, 1987.
- No. 81. Section 1, Article VII. Re: **Taxation.** Adopted November, 1988.
- No. 82. Section 10, Article VIII. Re: **Residential Energy Conservation.** Adopted November, 1988.
- No. 83. Section 3, Article VI. Re: **Who disqualified.** Also amending Section 1, Article XIII. Re: **Educational, reformatory and penal institutions.** Adopted November, 1988.
- No. 84. Adding Section 35, Article I. Re: **Victims of Crimes—Rights.** Adopted November, 1989.
- No. 85. Section 31, Article IV. Re: **Commission on Judicial Conduct.** Adopted November, 1989.
- No. 86. Section 10, Article VIII. Re: **Energy and Water Conservation Assistance.** Adopted November, 1989.
- No. 87. Section 6, Article IV. Re: **Jurisdiction of Superior Courts.** Adopted November, 1993.
- No. 88. Section 11, Article I. Re: **Religious Freedom.** Adopted November, 1993.
- No. 89. Section 3, Article 4. Re: **Election and Terms of Supreme Court Judges.** Adopted November, 1995.
- No. 90. Section 2, Article VII. Re: **Limitation on levies.** Adopted November, 1997.

HISTORY OF ADOPTED CONSTITUTIONAL AMDTS.

- No. 91. Section 10, Article VIII. Re: **Energy, water, or stormwater or sewer services conservation assistance.** Adopted November, 1997.
- No. 92. Section 1, Article VIII. Re: **State debt.** Adopted November, 1999.
- No. 93. Section 1, Article XXIX. Re: **May be invested as authorized by law.** Adopted November, 2000.
- No. 94. Section 7, Article IV. Re: **Exchange of judges - Judge pro tempore.** Adopted November, 2001.
- No. 95. Section 2, Article VII. Re: **Limitation on levies.** Adopted November, 2002.
- No. 96. Section 15, Article II. Re: **Vacancies in legislative and in partisan county elective office.** Adopted November 2003.
- No. 97. Section 31, Article IV. Re: **Commission on judicial conduct.** Adopted November, 2005.
- No. 98. Section 1, Article VII. Re: **Taxation.** Adopted November 2006.
- No. 99. Section 12, Article VII. Re: **Budget stabilization account.** Adopted November 2007.
- No. 100. Section 29, Article II. Re: **Convict labor.** Adopted November 2007.
- No. 101. Section 2, Article VII. Re: **Limitation of levies.** Adopted November 2007.
- No. 102. Section 6, Article XVI. Re: **Investment of higher education permanent funds.** Adopted November 2007.

